3. Whether any proposed changes or legislation will be discussed with those interested in agricultural education prior to a decision being made or legislation being introduced into the House?

Mr I. W. SMITH (Minister of Agriculture)—The answer is:

1. I have not received a report from the Victorian Advisory Council of Adult Education. However, I have received one from the Chairman of the Victorian Advisory Council on Agricultural Education.

2. No. I established the council to advise me. It reports to me on matters which I have asked it to investigate.

3. Because all interested parties are represented on the council any changes would have already been discussed. However if changes are made in the legislation, a statement of principles of the proposed legislation will be circulated for consideration by all interested parties, in accordance with the Government's established practice.

Legislative Council

Tuesday, 4 December 1979

The PRESIDENT (the Hon. F. S. Grimwade) took the chair at 4.20 p.m. and read the prayer.

URBAN LAND AUTHORITY BILL

This Bill was received from the Assembly and, on the motion of the Hon. F. J. GRANTER (Minister of Water Supply), was read a first time.

TOWN AND COUNTRY PLANNING (PLANNING SCHEMES) BILL

This Bill was returned from the Assembly with a message relating to amendments.

It was ordered that the message be taken into consideration later this day.

ABSENCE OF MINISTER

The Hon. A. J. HUNT (Minister of Education)—I desire to inform the House that the Minister for Conservation will be absent from the sittings of the House this week as he is attending a joint Commonwealth–State Ministers' conference.

HOURS OF MEETING

The Hon. A. J. HUNT (Minister of Education) (*By leave*)—After consultation with the party Leaders, it is proposed that the House should sit at 2 p.m. tomorrow. I understand that there are certain committee commitments prior to that time, otherwise the sitting would have been earlier. The House will sit on Thursday at 11 a.m. and, if necessary, on Thursday evening. The Leaders do not expect sufficient business will arrive from the Legislative Assembly by Thursday evening to justify sitting on Friday this week. The proposed timetable is subject to review in the light of circumstances, but that currently appears to be the position.

As to next week, it is proposed to commence the sitting of the House at 2 p.m. on Tuesday and at 11 a.m. on Wednesday, Thursday and Friday.

QUESTIONS WITHOUT NOTICE

EXPLOSIVE EXPERIMENTS AT BACCHUS MARSH

The Hon. W. A. LANDERYOU (Doutta Galla Province)—I ask the Minister of Water Supply whether, in view of damage recently caused to the Djerriwarrh dam spillway by explosive testing at Coimadai the Government or the Minister intends to permit explosive experimentation by ICI Aust Ltd to continue in the Shire of Bacchus Marsh.

The Hon. F. J. GRANTER (Minister of Water Supply)—Some explosive testing has been carried out in the area, but I understand that it was on private land. Some concern has been expressed by the Melton Waterworks Trust and the Bacchus Marsh Shire Council.

The Hon. W. A. Landeryou—And the residents.

The Hon. F. J. GRANTER—And naturally by the residents of the area. The Forests Commission has not granted permission for the testing to be carried out on Crown land, although oral representations have been made for it to do so. However, in view of the problems which have eventuated, I will certainly

have discussions with the Forests Commission regarding any further testing. I do not think it is advisable, after what the Leader of the Opposition has said, that this testing should be carried out in the future.

BURNING-OFF OPERATIONS

The Hon. D. M. EVANS (North Eastern Province)—I address my question to the Minister representing the Minister of Transport. I refer to the extremely high fire danger which has developed in Victoria at present, particularly in the grassland areas, and ask the Minister whether he can assure the House that the necessary burning-off procedures alongside railway lines will be carried out, with particular attention being paid to the main Melbourne to Sydney railway line, in order to reduce as far as possible the danger of fires starting on or adjacent to the land through which railway lines run.

The Hon. D. G. CROZIER (Minister for Local Government)—My understanding is that it remains the responsibility of the Victorian Railways to control the fire risk along railway easements and I am sure the normal precautions will be taken this summer. However, I will convey the concern expressed by the honorable member to the responsible Minister.

POLICE HELICOPTER

The Hon. B. A. CHAMBERLAIN (Western Province)—I direct to the Attorney-General, representing the Minister for Police and Emergency Services, a question regarding the accident involving the police helicopter, which occurred yesterday. Has the Government received a preliminary report on the cause of the accident advising whether it was due to a malfunction or pilot error?

The Hon. HADDON STOREY (Attorney-General)—I do not know whether the Minister for Police and Emergency Services has received a report. I will certainly make inquiries of the honorable gentleman and advise the honorable member as soon as possible.

YARRA RIVER

The Hon. E. H. WALKER (Melbourne Province)—Is the Minister of Water Supply aware that the Melbourne and Metropolitan Board of Works, under what it euphemistically calls a river improvement programme, is tearing out hundreds of willows along the banks of the Yarra River immediately downstream from the Chandler Highway? At present willows are being removed up to 15 metres back from the water's edge and that has been done for a distance of half a kilometre and I understand the programme will extend for 2 kilometres. These willows provide habitat for wild ducks and platypuses and water hen nests. Will the honorable gentleman ensure that this vandalism is stopped in order to preserve the habitat of native animals and birds?

The Hon. F. J. GRANTER (Minister of Water Supply)—I share the concern of the honorable member, especially if the habitat of wildlife is being disturbed. I will make the necessary inquiries and provide an answer tomorrow.

HOUSE BUILDERS' LIABILITY

The Hon. W. R. BAXTER (North Eastern Province)—Has the Minister for Local Government given consideration to the representations and public comment made by many people on the inadequacies of the house builders' liability provisions of the Local Government Act? I refer particularly to the comments of the Director of Consumer Affairs and the defective homes organization. If the honorable gentleman has given consideration to those comments and representations, what has been the result?

The Hon. D. G. CROZIER (Minister for Local Government)—I have given consideration to the alleged deficiencies. There have been consultations between my department and the Ministry of Consumer Affairs, in which the Director of Consumer Affairs, Mr Geschke, has participated. Consultations have also been held with the two guarantor bodies under the Act and, as I have indicated previously, consideration is

being given to amendments to the relevant section, which is section 918 of the Local Government Act.

REGIONAL REFUSE DISPOSAL

The Hon. H. R. WARD (South Eastern Province)—The question I direct to the attention of the Minister for Local Government relates to the problems that arose from the mysteries of Dargile some time ago. Can the Minister advise what progress has been made in establishing a system of regional refuse disposal for metropolitan municipalities and has the enactment of the Local Government (Regional Refuse Disposal) Act hastened any decisions that are likely to be made on this matter?

The Hon. D. G. CROZIER (Minister for Local Government)—As I understand it, the situation is, as many honorable members are aware, that four refuse disposal regions are proposed for the metropolitan area. The legislation authorizes the Governor in Council to declare any two or more municipal districts to be a refuse disposal region. When that stage is reached and regions have been declared, the councils concerned may indicate that they wish to be made regional refuse disposal groups. The final step is the approval by the Minister for Local Government of the constitution of the group, and I am happy to report that draft constitutions have been submitted by three of the regions. I hope they will be approved shortly.

How that affects the other matter to which Mr Ward referred is perhaps a trifle conjectural, but clearly it has some relevance to the progress that has already been made in the metropolitan area.

TROTTING CONTROL BOARD LAND AT KEILOR

The Hon. R. J. EDDY (Thomastown Province)—Can the Minister of Water Supply, representing the Minister for Youth, Sport and Recreation, inform the House of the total area of the land at Keilor owned by the Trotting Control Board, what its present use is and the price paid for the purchase of the land?

The Hon. F. J. GRANTER (Minister of Water Supply)—The land at Keilor is approximately 85·98 hectares in area and the purchase price was $1·4 million, with a contingency sum of approximately $50 000. It is not being used at present, even for grazing, as I understand it.

TEACHERS IN EXCESS

The Hon. D. N. SALTMARSH (Waverley Province)—Given the recent announcement of new guidelines for schools, school councils and principals to establish a better working relationship for declaring those teachers who are in excess, will the Minister of Education indicate whether the department will consider the establishment of training facilities for principals, vice-principals and senior staff in management systems so that they can cope with the human and personnel issues involved in operating under the guidelines?

The Hon. A. J. HUNT (Minister of Education)—The transfer procedures were forwarded by the administration to all teacher unions and I expect that the procedures will assist considerably in alleviating any problems for individual teachers. They provide for consultation and consideration of the interests of teachers and I hope that all principals and district inspectors will have regard to that fact, as will the directors of the divisions. I do not know whether there is a need for special training. This is the first time I have heard the suggestion. I will examine the matter and advise the honorable member.

WORK TRANSITION SCHEME

The Hon. JOAN COXSEDGE (Melbourne West Province)—Can the Minister of Education assure the House that Victoria will seek guarantees from the Commonwealth Government so that the Commonwealth school–work transition scheme is linked with a job creation scheme before Victoria makes a commitment and the Commonwealth scheme does not leave young Victorians without jobs after twelve months?

The Hon. A. J. HUNT (Minister of Education)—The question is an implied criticism of the Commonwealth Governernment's education–work transition

scheme on the ground that it is something it was not intended to be. It is a scheme to assist in the education of young people for the work place; it is a scheme to assist young people in solving the problems they will face at work; it is a scheme to assist young people to be better prepared for work; it is a scheme to assist them if they do not find work immediately after leaving school; and it is a scheme to assist them by providing further education while they are out of work.

It does not purport to be a job creation scheme and it is unfair to criticize it for being something it was never intended to be. I know that the Minister for Youth, Sport and Recreation, who is the Chairman of the Victorian Employment Committee, shares the view impliedly put forward by the question, but job creation programmes are a separate issue from the transitional education programme. They are certainly allied indirectly, but they are clearly separate issues and I should not like them to be confused. That is why I have answered the honorable member's question at some length.

Victoria will be seeking clear guarantees on a number of points in connection with the transition programme. From time to time Commonwealth programmes have been instituted, carried forward for a number of years and then not continued, and Victoria has been left holding the bag, as it were.

The Government hopes that will not occur this time and it will do its best to ensure that it does not. It wants to ensure that programmes undertaken will have the greatest possible certainty for the future and will have continuity.

Submissions from all sources have been sought and are again invited concerning the transition education programme. The Government would be interested to hear from all schools and individuals who have ideas on the scheme, and a four-man committee has been established to examine all the submissions. The committee includes a representative of the Education Department, a representative of the Victorian Employment Committee, a representative of the Industrial Training Commission and one from the Victorian Institute of Secondary Education. The Government is negotiating with the Commonwealth to ensure that the interests of young Victorians are protected.

ADMINISTRATIVE TEACHERS

The Hon. N. F. STACEY (Chelsea Province)—My attention has been directed to the fact that schools with large pupil populations—more than 1000—suffer a disadvantage because of the number of teachers who are necessarily involved in staff supervision. Will the Minister of Education give consideration to providing additional teachers for those large schools that suffer some disadvantage because of administrative needs?

The Hon. A. J. Hunt—In which division?

The Hon. N. F. STACEY—The secondary and technical divisions.

The Hon. A. J. HUNT (Minister of Education)—There is already a reasonably generous allowance for special needs in both secondary and technical divisions. If the schools concerned can convince the division concerned that they have special needs, they would be eligible for consideration. It is a professional decision in which the Government does not interfere. I should hate to be responsible for evaluating the special needs of one school as against those of another. It would create the danger of politically rather than professionally-based decisions, and I am not prepared to undertake it.

In respect to the Primary Division, I should have thought the greatest need was in the smaller schools, which have the least flexibility. Even at secondary level that is frequently true, because the smaller schools have less flexibility in the deployment of staff and may well suffer disadvantages in comparison with larger schools.

PAPERS

The following papers, pursuant to the directions of several Acts of Parliament, were laid on the table by the Clerk:

Education Act 1958—Resumption of land at Wantirna—Certificate of the Minister of Education.

Emerald Tourist Railway Board—Financial Statements for the year 1978-79.

Geelong Regional Commission—Report for the period ended 30 June 1978.

Industrial Training Commission—Report for the year 1979.

Port Phillip Authority—Consolidated Report for the period ended 30 June 1979.

Poultry Farmer Licensing Committee—Report for the year ended 28 February 1979.

River Murray Commission—Report for the year 1978-79.

State Development—Report of the Department of State Development Decentralization and Tourism, for the year 1978-79.

Statutory Rules under the following Acts of Parliament:
- Administration and Probate Act 1958 and Supreme Court Act 1958—No. 415.
- Chiropodists Act 1968—No. 399.
- Country Fire Authority Act 1958—Nos. 423-428, inclusive.
- Health Act 1958—Nos. 396, 404 and 412.
- Land Tax Act 1958—No. 400.
- Legal Profession Practice Act 1958—No. 413.
- Marine Act 1958—No. 402.
- Melbourne and Metropolitan Board of Works Act 1958—No. 408.
- Motor Car Act 1958—Nos. 410 and 421.
- Nurses Act 1958—No. 406.
- Parliamentary Salaries and Superannuation Act 1968—No. 403.
- Police Regulation Act 1958—No. 401.
- Private Agents Act 1966—No. 420.
- Public Service Act 1974—PSD Nos. 76, 79-86 and 88.
- Reference Areas Act 1978—No. 418.
- State Savings Bank Act 1958—No. 407.
- Superannuation Benefits Act 1977—No. 409.
- Supreme Court Act 1958—No. 414.
- Victorian Film Corporation Act 1976—No. 411.

Town and Country Planning Act 1961—
- Maldon Planning Scheme—Amendment No. 2.
- Newham and Woodend—Shire of Newham and Woodend Planning Scheme—Amendment No. 7.
- Stawell—Town of Stawell Planning Scheme 1963—Amendment No. 16, 1978.
- Traralgon—City of Traralgon Planning Scheme 1957—Amendment No. 11, 1977, with Map (Two Papers).

Victoria Institute of Colleges—Report of the Council, together with Statement of Income and Expenditure, for the year 1978.

Victorian Brown Coal Council—Report for the period ended 30 June 1979.

Victorian Egg Marketing Board—Report for the pool year ended 30 June 1979.

Victorian Public Offices Corporation—Report and accounts for the year 1978-79.

On the motion of the Hon. E. H. WALKER (Melbourne Province), it was ordered that the reports and financial statements be taken into consideration on the next day of meeting.

TRANSPORT WORKS AND SERVICES BILL

The debate (adjourned from November 28) on the motion of the Hon. D. G. Crozier (Minister for Local Government) for the second reading of this Bill was resumed.

The Hon. R. J. EDDY (Thomastown Province)—This Bill is one of the most important Bills to be introduced and debated in this House because it concerns the expenditure of funds allotted to the railways and for other services from the Works and Services Account for the 1979–80 financial year. It provides employment opportunities and the responsibility to make a real contribution to the well-being of the citizens of Victoria, irrespective of where they reside. It is alarming to note that the funds made available to the railways for capital works in 1979–80 are approximately $8 million or 15 per cent less than those allocated last year.

In his second-reading speech the Minister went to great pains to mention the proposed expenditure from 1 July 1979 to 30 June 1980 and the proposed provision for the eighteen months to December 1980. Who does the Minister think he has fooled? I invite honorable members to examine the proposal. For the financial year 1978–79, $40·154 million was allocated from State funds, $10·963 from Commonwealth grants and $3·304 million from railway funds making a total of $54·421 million. The allocation for 1979–80 consists of $35·766 from State funds, $8·664 from Commonwealth grants and $1·830 from railway funds, making a total of $46·260 million, which is approximately $8 million or 15 per cent less than that provided last year.

That means that approximately $8 million less will be available for railway capital works. Instead of more people being employed within the railways in the next twelve months, there will no doubt be a reduction because of this cutback. I am concerned that such a large reduction should be made. That must also concern the people of the community. If one understands the

present problems within the railways, one must be concerned about the future of transport works and services.

The total proposed expenditure during the year ending 30 June 1980 is $47·046 million, compared with the amount of $55·578 million in the previous year. For railway works, $54·421 million was spent last financial year and this money was derived from last year's Transport Works and Services Bill. The Bill this year authorizes the expenditure of $97·2 million on transport works and services.

By using simple arithmetic, one finds that this is $1·5 million more than the amount allocated for this financial year. I believe that item was placed in that column only to show that the money is available, but it will never be used. I hope some of that money will be used to help overcome unemployment.

Item 101 refers to stations, yards and so on. The expenditure to 30 June 1979 was $3·725 million, but for the next financial year it will be only $2·7 million. That is a reduction of $1 million, yet the Bill provides an additional $6 million. It is rather difficult to understand that the money is to be used for stations, yards and other works in that area as well as for the acquisition of land, because, when acquiring land these days, the Government acquires it in large areas.

Under sub-item 102, accommodation for locomotives, carriages and so on, last year $485,000 was provided and this year only $450 000 has been allocated. Another item that concerns me is the one dealing with level crossings where $215 000 was allocated last year and $350 000 this year—an increase of $135 000. However, the Bill provides that that money is to be expended on level crossings, including provision of road access thereto, road diversions, boom-type barriers and flashing light signals and other safety measures, including acquisition of land. The amount of $135 000 will not be enough to provide the many boom gates and flashing light signals that are required at open railway crossings throughout the State. It is doubtful whether that will be enough to provide, at the most, half a dozen sets of boom gates and flashing light signals.

When one continues reading the Bill, one finds an item providing for the duplication of track between Little River and Corio on the Geelong railway line. That work has been going on for some years, and last year $446 000 was provided. This year the allocation has been increased substantially to $800 000, but no guarantee has been given that the work will be completed. The amount allocated ensures that the work cannot be completed during the next financial year.

The Hon. R. A. Mackenzie—It was promised for 1954.

The Hon. R. J. EDDY—As Mr Mackenzie says by interjection, completion was promised back in 1954, so the provision is just a cover-up and will not go far enough.

The Hon. D. G. Crozier—What are you criticizing—that any money has been allocated, too much or not enough?

The Hon. R. J. EDDY—Not enough has been allocated to complete the works that have been promised over a number of years.

The Hon. D. G Crozier—I understood your criticism to mean that the railways could not spend $800 000 in that time.

The Hon. R. J. EDDY—I did not say that; I said the $800 000 would not anywhere near cover the cost of completing the works that have been promised over many years. From year to year they continue to appear in the explanatory statement. The allotment of moneys is too small to allow that work to be continued and completed during the next financial year. How long will it take to complete the works that have been promised for so long?

The eastern railway is also listed in the table of sub-items, and $1 million is to be provided for the construction of that railway, including land acquisition. Last year the expenditure to 30

June 1979 for that purpose was $1·363 million, and I do not know where this money has been spent.

I recall having spoken in the House about the eastern railway when the Government was constructing the Eastern Freeway, F19, and had excavated the land from Victoria Park railway station to Trenerry Crescent, Abbotsford, which is a fair strip of land. At that time I told the House that the excavation had cost some $600 000, and a few months later I informed the House that the excavation was being filled in and that the filling in of the excavation had cost an additional $400,000. Therefore, a total of $1 million was wasted by the Government.

The Hon. B. P. Dunn—Do you mean they dug it up and then had to fill it in?

The Hon. R. J. EDDY—That is right; the ground was excavated for the eastern railway from Victoria Park railway station around to Trenerry Crescent, and after outlaying $600 000 for that, the Government had to pay another $400 000 to fill it in. Now the Government cannot make up its mind. It called on the Public Works Committee to make a report. The committee took a long time listening to evidence both for and against the proposal, but the Government did not accept the committee's first recommendation, which was in favour of the eastern railway. It called for a further report and the Public Works Committee had to go through the same procedure again. It produced a similar report, only to find that once again the Government did not heed its advice. Now we learn that the Government has provided finance for the eastern railway, which should have been operating by now and would have been if the Government had been honest in the first place.

At that time the Government preferred to run a public bus system down the side of the Eastern Freeway, but now it has apparently learned that that proposition is not viable and it wants to build the railway. The correct decision would have been to go ahead with the construction of the railway, and the Government accepted that that was the correct decision, because, as I said, it proceeded with the excavation for the railway. It concerns me that the Government has wasted the taxpayers' money in this way when there is so much unemployment in the State and the numbers of unemployed will increase when students leave school at the end of the year with no opportunity of obtaining work.

The Transport Works and Services Bill has made a cut of some $8 million in expenditure on capital works. When young people leaving school learn of these cuts in works programmes which could have provided employment, they will be despondent. It is no wonder that many young people resort to crime and crime is committed because of drug addiction.

The Hon B. P. Dunn—We have to be careful not to lump all young people under the same heading.

The Hon. R. J. EDDY—I know it is not all young people, but many are affected in this way. Many other problems occur in railway operations. Day after day trains are being cancelled on lines throughout the metropolitan area because insufficient drivers or guards are available to man them. Once again the person who suffers is the commuter. Despite a shortage of staff and many unemployed people, the Government is doing nothing to overcome the problem. Railway workers are dissatisfied because they have long been denied their proper entitlements to award increases, long service and sick leave.

Even with those problems and with the unemployment level that exists, the Government is not prepared to give unemployed people the opportunity of being employed within the system.

Another problem that has worried commuters is that there are unmanned stations throughout the State and especially in the metropolitan area. No matter on what line, stations are unmanned at hours when they should be manned. There are many young unemployed people—it is generally young people who are employed as railway porters—who could work on railway

stations. On many occasions, commuters have been assaulted on trains and when they alight at a station they find it is unmanned so there is no one to whom to report the assault. If the Government were prepared to absorb some of the unemployed by manning these stations, such assaults would be eliminated and the railways would be given greater public support; but today commuters are afraid to use the system because they are afraid of being assaulted and of not being able to report these assaults so that the persons responsible will be apprehended.

I am concerned to learn of the cutback in the transport works and services allocation for 1979–80. For 1978–79, the allocation was $52·379 million, as against $46·26 million for the current financial year. The Government must endeavour to provide an additional $8 million to ensure that the necessary transport works and services are carried out throughout the State.

Last year money was allocated for the purchase of air conditioned trains but they have not yet arrived. No doubt they will arrive some time, but I do not know which year. I ask the Minister to refer my remarks to the responsible Minister to ensure that a further $8 million is raised so that the proper facilities can be provided and additional employment is made available early in the New Year.

However, the Labor Party does not oppose the Transport Works and Services Bill. It is a money Bill which is necessary for the continued provision of works and services within the railway system.

The Hon. B. P. DUNN (North Western Province)—This is one of the most important of all the Bills which come into the House. It deals with transport works and services, the transport needs of this State and especially the railway network. As members representing country areas, National Party members are deeply interested in the Bill. They have always been strong supporters of the railways because the provision of rail services was a key factor in the development of country areas many years ago. If one looks at the history of places like Warracknabeal, Murtoa and the Wimmera, one finds that basically two factors determined the development of those areas. The first was the availability of water. Future towns and small establishments were built around water holes, creeks, rivers and the like. Some time later, in the mid to late 1800s, came the railways.

It was the subject of not vicious but strong fights on behalf of such communities to ensure that the railway was attracted to and through those areas. Where the railway went, development followed—not only of towns, but also of industry. Years ago, the wheat growers of the area in which I live, the northern Wimmera-southern Mallee, carted grain by wagon over 70 miles to Stawell the nearest railhead. That is the kind of importance which the railways had then, and they are still important today. I hope the Government realizes their importance.

That is why country people generally consider the withdrawal of rail services to be a backward step. They see the railway as a link with development. A rail service is of real importance to their community. Country people have the right to regard the closing of a line or the shutting down of a station as a retrograde step.

The Bill indicates reduced spending on transport works and services. The Minister has shown that he is prepared to come to grips with some of the transport needs of the State and that he has a commendable understanding of those needs. He has shown a preparedness to examine matters I have brought to his attention. Clearly, transport is an area which needs a Minister who will exercise some influence and direction of his own especially over the operation of the railways. It is not possible to run the railways as a business enterprise because it has never been and never will be that. If that is the guideline for the future of the railways, 50 per cent or more of the railway system in this State will be closed down because much of the system cannot be justified on economic grounds. Clearly, it serves a far more important

purpose than that because of its influence on development and its social impact throughout the community. The Minister is making some contribution towards meeting railway problems by coming to grips with the needs.

I wish to mention several matters in dealing with various items in the Bill. On the revenue side, I again raise the question of rail freight increases which provide considerable funds for the types of works and services dealt with by the Bill. This year, freight charges have increased by 18 per cent, on top of a 12·5 per cent increase which applied to the 1978–79 harvest; so there was an increase of about 30 per cent within the space of two harvests. There is no doubt whatsoever that it is too much and I have not seen the figures that will justify this increase.

Of the railways freight income, 25 per cent already comes from grain, and that is a significant proportion. The information was given to me in answer to a question I asked in the House. A quarter of the freight increase comes direct from the grain growers of this State. Interstate freight, long haulage and large freights are the areas that the money comes from and the people of Victoria, especially the grain growers, have expressed serious concern about these increases. I have also raised it in this House and I am especially concerned about the way these increases are brought about.

Increases such as these never come before Parliament. They are not part of the Budget or of the Transport Works and Services Bill. The first that Parliament hears about these figures is usually in a small press release that one happens to pick up in the papers or perhaps by way of a rumour. Honorable members well understand that the Government does not want to make a big noise about a decision such as that, so it is made by the Minister and by the railways and ratified by Cabinet; but let there be no running away by Ministers from these rail freight increases, because it is their decision.

The Hon. Glyn Jenkins—Who said they were running away?

The Hon. B. P. DUNN—Honorable members see the situation of the honorable member for Swan Hill, the Minister for Immigration and Ethnic Affairs, leading a deputation to the Minister of Transport to seek a reduction in the rail freight charges agreed to by Cabinet. One cannot blame that decision on the railways. It is not a railway decision to increase charges by 18 per cent. It is a Government decision, a decision of the Government and its Ministers. If they make that decision, they have to be prepared to justify it and accept their own responsibility, not run away from it.

The Hon. D. G. Crozier—I do not believe the Government has run away from it.

The Hon. B. P. DUNN—The Minister may have not run away from it. All honorable members know that he is prepared to make a stand and to stick by it. That is commendable, although members of the National Party and others may not always agree with that stand. It is hoped that other Ministers will be prepared to make a stand and stick by it. The Victorian Farmers and Graziers Association has led deputation after deputation to the Minister and to the Government on this matter, but nothing has been done. It was hoped that there would have been a small reduction in the 18 per cent increase. This will add considerably to the bill of the average grain grower who can expect an increase of about $2 a tonne in his freight charges. The average grain grower would produce about 500 tonnes of grain a year and would now be looking at another $1000 to pay to the railways. A grower with a 500-tonne harvest would have a freight bill of approximately $6000.

The Hon. Glyn Jenkins—The price received for wheat is rising.

The Hon. B. P. DUNN—I had hoped that Mr Jenkins would raise that point. Because the price of wheat is rising, he believes freight rates should rise. I ask Mr Jenkins whether the Government will reduce freight rates when the price of grain falls. Of course

it will not. The freight rate stands whether the price of grain is high or low.

The Hon. Glyn Jenkins—The Government cannot win with these people. They complain about water rates and wheat freights.

The Hon. B. P. DUNN—The Government cannot win that argument, because wheat prices will inevitably fall but freight rates will not necessarily fall with them.

The National Party is happy with some of the provisions of the Bill. It is proposed to increase the number of grain wagons in operation in Victoria. That is an urgent need. When the harvest reaches full scale receival, particularly in the north and north-western parts of the State, there are difficulties regarding rail trucks. It is a good investment to increase the fleet of rail trucks, which will overcome some of the need for storage. If the railways have the capacity to transport large quantities of grain, it will reduce the need for storage on sidings, and it will therefore be possible to haul the wheat direct from the grower to the seaport. Fast block trains are needed with good locomotives and bulk hopper wagons which can empty the grain quickly and provide a quick turnaround. The railways are involved in a massive operation in handling the wheat harvest. In past wheat harvests the railways have done a commendable job in shifting the grain and it is hoped that this year they will provide a similar service.

Funds have been allocated to build 110 container wagons for general freight and to complete the construction of a further 24 wheat wagons, of the big hopper type. Provision is also made to convert a further 400 GY wagons to GH wagons. Instead of the operation of opening the doors of the old GY wagons and scraping out the wheat, through the operation of a mechanical device the new wagons will be emptied in a couple of seconds.

The Hon. W. R. Baxter—The wheat growers are paying for the conversion.

The Hon. B. P. DUNN—Yes; the cost of conversion is about $3000 a wagon. The fleet needs to be upgraded.

The Bill contains no provision for locomotives in this financial year. In view of the needs of the railways, I should have thought that locomotives would be an urgent need and that much of the fleet was outdated and in need of replacement. I understand that $100 000 is to be spent after 30 June next year before another Bill of this type comes before the House.

The National Party believes rural passenger services should be of a reasonable standard. I have travelled on trains for about ten years, to and from Melbourne. Mr Knowles will agree with me that rural lines and services need considerable upgrading. Unfortunately, the longer the service the worse the standard of carriage offered. On the Wimmera services which involve about five hours travel from Melbourne, the wagons are extremely poor. Many do not have air-conditioning, and I have seen pensioners and other people who have travelled to Melbourne for medical attention in extremely distressed conditions in very high or very cold temperatures. Old carriages are still in operation with chemical-filled foot warmers which can be pulled out from under the seats and shaken. However, one must take off one's shoes to feel the effect because not sufficient heat comes from them. Honorable members have mentioned the Geelong line. There may be a need for improvement there, and I understand the Government intends to do something about that, but the condition of the trains on long distance country services is poor.

The National Party welcomes the development of an impact fund to assist municipalities with roadworks. Only $1 million is allocated for that purpose but where railways have closed lines and services and replaced them with a road operation, in many cases it has led to the deterioration of the roads. Much more superphosphate is being carted by road, and in some cases much more grain is being carted by road. Many of those

roads are under the control of municipalities and in the past those municipalities have not been adequately compensated. It is all very well for the railways to step out of their responsibilities and replace railway services with road transport but the municipalities must then pick up the tab. This impact fund, it is hoped, will help to compensate municipalities for the effect on their road networks.

I realize this is a long-standing thorn in the Minister's side but I should like again to mention that the Portland line needs upgrading.

The Hon. D. G. Crozier—The Government does not deny that—the main line to Portland.

The Hon. B. P. DUNN—I refer to the main line to Portland to which the Minister may not be referring—the line that goes via Balmoral.

The Hon. D. G. Crozier—I am talking about the main line.

The Hon. B. P. DUNN—I do not know whether the Minister still supports the closure and demolition of that line. I assume that he does. It runs right through the province that he represents and through a portion of the province that I represent. In the years ahead, there will be a tremendous need for that line to be upgraded. I understand that even now, with the good wheat harvest, the railways are having extreme difficulty in transporting grain from Ararat to Portland. A large percentage of the grain could go straight down through the Balmoral line. This would help to develop Portland as a grain port. Mr Jenkins interjects about a fight. The National Party does not give up fights easily. There should at least be an inquiry into the cost of doing up this line. At this stage, estimates have only been plucked out of the air by the Minister and, I believe, by Mr Chamberlain; there seems to be no basis for those figures.

The Hon. D. G. Crozier—Has Mr Dunn carried out any research on the cost of replacing that line?

The Hon. B. P. DUNN—That is what the National Party seeks. I concede that I have not the qualifications to make that estimate; it must be done by experts who have the technical know-how to make the assessment. Honorable members have not seen an accurate assessment of the cost. That should have been provided so that the matter could be approached logically. Members of the National Party will not give up the fight, nor will the people of that area. Even the Chairman of the Grain Elevators Board, Mr Gross, has come out in favour of retaining the line. He represented that area in this Parliament for a long time. It is taking a long time to convince local members—Mr Chamberlain, Mr Crozier and Mr McKellar, although their constituents recognize the need for the line, as do people who are interested in the development of Portland and the grain shipments through that port.

I ask the Minister to consider this matter and to have an inquiry and a proper estimate made. I do not mean an ongoing inquiry for years at huge public expense, but an estimate of the cost of improving the line. The feasibility of the line has always been jeopardized by the fact that the railways and the Government have let it run down over a long period and then, as in every other case where a line is to be closed, figures have been quoted about lack of use of the line. That is how the Government justifies its actions.

The Hon. D. G. Crozier—The line is still in use.

The Hon. B. P. DUNN—That illustrates the mentality which the National Party cannot understand. The Minister should have the foresight to see that the National Party is not asking for the line to be developed to serve only local areas; it is a service line from the whole of the Wimmera area and the southern Mallee. That is the key to the whole development.

The National Party supports the Bill and trusts that the Government will continue to place a high importance on the transport needs of the State. It is hoped that on future occasions, when rail freight increases are mooted, the

matter should come before the Parliament for discussion. However, if that cannot be achieved, at least information and discussion should be sought from the industry and people involved.

The Hon. GLYN JENKINS (Geelong Province)—This Bill reflects the changes that are taking place in transport, particularly in the railways in Victoria. As was expressed in the policy speech of the Premier at the last election, the Government is now seeking to rationalize transport in Victoria and to provide the best and most economic form of transport, because only in that way can costs be kept down. Transport has always been a major component in the cost of any item. In some cases it is as high as 50 per cent of the final cost or even more. We must all work together to ensure that costs are kept as low as possible.

The explanatory memorandum attached to the Bill details some of the expenditure that will take place during the current year. I commend the Government for providing for the expenditure of a further $800 000 in this financial year on the duplication of the railway track between Little River and Corio. This has been a hardy annual for longer than I care to remember. It was a political issue when I first became a member of the House, almost ten years ago. Certain promises have been made, but the work has been performed at a slow pace. The railways claim that the duplication of the track is not essential to the economic running of the Geelong-Melbourne line, but I am sure that anyone who has had the pleasure of waiting for 30 or 40 minutes at either Little River or Lara for a train to go through in the other direction would begin to wonder about the priorities. The Bill also provides for an additional $3 million to ensure that the work is carried out as speedily as possible. The next major cost in the duplication will be incurred in the completion of the signalling and the laying of the tracks. I hope that work will be substantially completed within the next eighteen months.

The Bill also provides $3 million so that work can continue on 36 modern air-conditioned carriages for the Geelong and Ballarat lines. Mr Dunn claimed that the older carriages were used on the longer lines. If Mr Dunn were to travel between Geelong and Melbourne he would see that that is not so. My old favourite, carriage No. 3AW—which is very much older than the radio station that bears the same number—has a lot of friends of a similar vintage that appear regularly on that line. I hope the provision of the new passenger carriages will come about as quickly as possible.

Mr Dunn spent some time discussing the transport of wheat and, as he said, 24 new wheat wagons are to be purchased and 400 GY wagons are to be converted to GH hopper wagons. That has come about largely because of the initiative of Mr Alf Nicholson, the Assistant General Manager (Operations) of the Victorian Railways Board, and I commend Mr. Nicholson for his work.

The cost of wheat freights was also referred to by Mr Dunn. I point out that the wheat freight rates in Victoria are comparable with those charged in other States. The relative disadvantage faced by Victoria is that the hauls are short, and when carrying bulk commodities, such as superphosphate or wheat, the longer the haul the more economic it becomes. What is needed is a faster turnaround and the use of block trains so that the railways can handle the wheat as quickly and cheaply as possible. That would allow wheat freight rates to be kept down. Mr Dunn suggested that the Government ought to consider reducing the rates when wheat prices fall. I can recall occasions when the Government has deferred justified rises in freight rates because the return to growers at the time was low. To some extent those relatively low rates still apply.

The Government has also announced that it will establish three new authorities to improve wheat handling facilities at Geelong, Portland and Marma lake, which is near Murtoa. Those authorities will also assist in keeping wheat freight rates down. I do not

know whether VicRail is yet capable of providing the annual costs of handling the grain harvest because of the way in which it allocates its charges, but the Minister of Transport has said that the railways still lose on the over-all carriage of grain.

I commend the Victorian Railways and the Grain Elevators Board for the work they carried out and the preparations they made to deal with the record grain harvest last year. I understand the harvest this year is expected to be even larger. Both the railways and the Grain Elevators Board have been working for some months on a comprehensive plan to ensure that the facilities are used to the maximum, that trucks are loaded and unloaded as quickly as possible and that there is a maximum turnaround and use of locomotives, wagons and brake vans.

The Bill also makes an allocation of $260 000 for the Geelong bike plan and $50 000 for the Melbourne bike strategy plan. The allocation to Geelong may seem substantial but, in conjunction with officers of the Geelong Regional Commission, the local municipalities undertook a major study two or three years ago and produced a bike plan for the whole of the Geelong area. After the plan was produced, a most successful conference took place and delegates came from all over Australia to find out what was being done. The engineering designs and concepts presented to that conference have been taken up in many other towns and cities throughout the country.

The Hon. B. P. Dunn—How will the money be spent?

The Hon. GLYN JENKINS—It will be spent on the provision of bike tracks. Some of them will be adjacent to roads and others will be constructed following natural creek valleys and the river or in public reserves, so that men, women and children can cycle in safety away from the main road traffic. The real problem is that in the closely built-up areas it is impossible to construct tracks or set aside areas for cyclists so that they can be completely safe. There is also to be a comprehensive education programme so that the motorists in Geelong will be made aware of the cyclists and the cyclists will have a proper appreciation of the risks they run in cycling in the Geelong region.

The next subject with which I shall deal is the provision of subsidies to private bus operators. I hope the proposals outlined at discusssions on private bus services in the Geelong region will soon come to fruition because there are still one or two areas, particularly to the north of Geelong, such as Rosewall, that are not adequately serviced by the private bus system.

I commend the Bill to the House but point out that more substantial funds should be injected into an over-all transport system. There is a long way to go before both the State and Federal Governments return sufficient funds from the various taxes that are imposed on motorists to enable a really comprehensive transport system to be developed.

The Hon. R. A. MACKENZIE (Geelong Province)—The Bill is disappointing because it indicates that the Government has not given public transport, particularly the railways, the priority one would have hoped for. A consideration of the expenditure last year and the proposed expenditure this year reveals that there has been a reduction of approximately 14 per cent, but when one considers that the inflation rate is approximately 10 per cent, one realizes that the reduction in expenditure in real terms is almost 24 per cent.

It is incredible that the Government should do that at present, particularly when, as Mr Dunn pointed out, there is a need for a viable transport service, especially in country areas and especially for the transport of important farm products, as well as for the safe and efficient transport of passengers. It is even more incredible in the light of the present fuel crisis. On the one hand the Government says it is doing all it can to conserve fuel and it issues brochures suggesting that people switch off their lights to save energy and

should save fuel but, on the other hand, it reduces the expenditure on the railways, which are probably one of the greatest sources of fuel savings because they get people out of cars. It is hard to follow the Government's reasoning.

The reduction illustrates one of the major differences between the philosophy of the Liberal Party and that of the Labor Party, because the Labor Party believes that transport, like health and education, is a public service that does not have to run at a profit. It is there to provide for the needs of the people. It is sad to see the undermining of this great public utility. The Government is selling it out to private enterprise. The recent closure of the passenger service on the Geelong-Ballarat line and its replacement by a bus service is a retrograde step.

The Hon. Glyn Jenkins—I did a survey on that and the passengers believe it is a better service.

The Hon. R. A. MACKENZIE—I am glad that Mr Jenkins brought that up, because anyone who had to travel on the dirty old trains that were provided —because there were no others— would, when comparing that with an ordinary bus service, believe the bus service was better, but if the bus service were compared with the service that could be provided by an up-to-date, air-conditioned train, it would not be better.

The Hon. Glyn Jenkins—What is the most economical?

The Hon. R. A. MACKENZIE—Profit again! That is where the basic difference lies. I am talking about a public service, not a profit-making concern. It worries me that a public utility should be turned over to private enterprise. People are now being forced to travel in buses on the roads, where there is a much greater danger of accident. The record of VicRail shows that it has carried thousands of passengers without a fatal accident. The same cannot be said of buses. That concerns me a great deal.

I now turn to the old chestnut, the Geelong-Melbourne line duplication. I could not help laughing when Mr Jenkins talked about the promises that have been made for so many years— promises Mr Jenkins was quite happy to use to win his seat on two occasions. It surprised me that a member of the Government party would admit that his party deals out hollow promises election after election. It is hard to accept when one belongs to a party that is basically honest.

I commuted for four and a half years between Geelong and Melbourne and I know the frustrations of travelling on the line. Approximately 2500 people commute between Geelong and Melbourne every day. They have to put up with vintage carriages, as Mr Jenkins admitted. I have to admit that the carriages are clean in the mornings, but that does not make up for the fact that the doors will not stay closed, there is no heating and no cooling and, in many cases, the vents in the top of the carriages have been sealed. But people continue to travel on the railways. One could imagine what would happen if there were decent carriages, if there was a duplicated system so that people would not have to wait hours on end, so that wives, having left the children at home to pick up their husbands in the car, did not have to wait at the station for three quarters of an hour because the train was late. It is a wonder the Government is not aware of this and is not trying to do something about it, but to continue in this manner is quite incredible.

The Government has let the people of Victoria down yet again by the reduction in spending on transport works and services. The Opposition can see dangerous precedents creeping in. There is an amount of $200 000 to be spent on ticket vending machines. This will mean a reduction in labour; it will mean more one-man stations and it will make it less safe for people to travel on the railways. All in all, it seems that the people of Victoria are to be denied a decent, fixed rail transport service for many years to come.

Mr Dunn pointed out that, especially in wheat transport, and with the excellent crops over recent years. so much more could be done if railway lines were upgraded. Not only could the Wimmera wheat go through Portland, but the Riverina wheat could go through Geelong if facilities were available.

The Hon. D. G. Crozier—A lot of it does.

The Hon. R. A. MACKENZIE—It all would go through there.

The Hon. D. G. Crozier—You ought to check up on your facts.

The Hon. R. A. MACKENZIE—That is the message I got from the Grain Elevators Board. The board has given assurances that the Riverina wheat will come through Geelong when facilities are available. The Opposition took that matter up with the board a couple of years ago when it appeared that all the wheat was to be sent through Portland. There is enough wheat to go through both ports.

I am extremely disappointed in the Bill. The Opposition does not oppose the Bill as it is a money Bill, but it is disappointing that a great deal more was not done. Much more could have been done in the conservation of fuel and in the more efficient transport of freight and passengers around Victoria.

The Hon. W. R. BAXTER (North Eastern Province)—I wish to raise only two issues. The managerial expertise of the Victorian Railways has improved to a large degree over recent years. I commend Mr Hodges and Mr Nicholson, who were mentioned here earlier today, for the initiatives they have taken on behalf of the railways, but much more needs to be done to attract freight away from road transport back to the railways.

I refer particularly to the main Melbourne-Sydney line. If one looks at the figures given in answers to questions by my colleague, Mr Evans, on the amount of freight crossing at Wodonga, it will be seen that in the past three years the average daily tonnage of freight carried by rail over the River Murray at Wodonga is over 6000 tonnes a day. Honorable members might think that is a significant amount, but if one compares that with the volume of freight crossing the River Murray at Wodonga by semi-trailers it does not measure up very well at all. The average number of semi-trailers crossing the Union Bridge at Wodonga per day, in 1979, counting semi-trailers and trucks with more than two axles, was 3040. If one takes as a rule of thumb that the average truck was carrying a load of 20 tonnes, which is not an insignificant amount —and many trucks carry more than that—one could see that 62 800 tonnes a day are conveyed by road; in other words, ten times the amount carried by rail.

I find that a surprising and interesting figure. The Melbourne–Sydney line ought to be able to carry more freight by rail. It is a good, fast service. The line is in good condition and the railways need to go out and sell it to industry. If the tonnage on that line could be doubled, and a corresponding number of semi-trailers were taken off the Hume Highway, a service would be done to everyone, and a proportion of the huge amount of money that is spent on maintaining the Hume Highway would be saved.

I am particularly concerned with the increase in the number of huge road transports on the Hume Highway. I travel the highway frequently and, in wet weather in particular, they are a menace. It is most difficult to overtake a huge semi-trailer during rain, even if it is only drizzling. The volume of spray thrown up by two or three axles on the rear of a semi-trailer completely prevents one observing whether it is safe to overtake. I do not say that is the responsibility of the railways, but any added freight that the railways can attract will assist in overcoming that problem and will reduce the number of trucks on the Hume Highway.

Private enterprise, through promotion and hard selling, is able to sell its products. The Melbourne-Sydney

freight line is a good product to sell, and more needs to be done about selling it.

The other matter concerns the passenger service from Shepparton to Cobram. There has been a suggestion that this service will be replaced by a bus. I am not suggesting that the Government ought to retain a passenger rail service just because it is there. I know full well that in certain circumstances, where rail services have been replaced by bus services, they are operating satisfactorily and the passengers in the area are quite happy. That applies to the service between Benalla and Yarrawonga where the rather decrepit rail motor has been replaced by a bus service.

The Cobram service is attracting significant numbers of passengers back to rail since the terminus was changed from Tocumwal to Cobram. That indicates that people are prepared to use a good service. It provides more flexibility than a bus service because of the widely differing number of passengers on a day-to-day basis. I do not know how the railways assess how many passengers there will be each day for a bus service, and if there are too many for a bus what is done about it.

I have had a meeting with the Minister and Mr Nicholson, in company with a deputation from the Shire of Numurkah, led by Councillor Christie. I have received an assurance that nothing will be done until a full investigation has been carried out and the local people consulted. I value that assurance from the Minister and I am sure he will abide by it. The service can be retained, and will be retained, but if it is not going to be used, nobody should be promoting its retention and I will not be one of those if that is the situation.

A number of aspects of transport concern me. Grain freight is one of them, but those issues have been well canvassed by my Leader, and I will not cover them now.

The Hon. N. F. STACEY (Chelsea Province)—It is important to bring the rail system into perspective. I quote from the Transport Plan 1978 for Victoria, Volume 3, Basic Transport Data. The Victorian rail network is 6250 kilometres in length, and the electrified network in Melbourne is 307 kilometres. In the metropolitan system there are 136 train sets, of which 125 are required to meet the weekly peak loadings. The daily peak loadings are something that ought to be considered because anybody examining the prospects of public transport in the next decade will acknowledge that, provided a service is given to the people, there will be an increasing return to a public transport system whatever its kind. Amongst those options is the existing rail system which the State and the Government is obliged to improve to meet the increasing demands that will be made upon it.

In the Chelsea Province there are two main rail lines, the Frankston and Dandenong lines, and together they attract a larger number of daily passengers than any other branch line. At Burnley, where the Glen Waverley line and the Croydon line meet, there is a weekly rail passenger volume of 54 000. At Caulfield, which is comparable with Burnley because the Frankston and Dandenong lines join there, there is a weekly rail passenger traffic volume of 59 000. The Chelsea provincial area is a very important area which depends on efficient rail services.

Mr Eddy advocated that more people should be employed to staff railway stations, because of unemployment, but he failed to say how that extra employment was going to be paid for. It is a very laudable objective to say, "Let us employ more people", but the piper has to be paid. The operating costs of the railways are $210 million. Railway receipts are made up from fares and freights, plus $60 million. This is an operating fund which the railways have to work on. The effect on that formula, of Mr Eddy's suggestion of employing more people, is that fares, freights or the contribution of the Government would have to be increased to keep the railways operating. The Minister has been aiming at improving the services to attract people to it, and

to give us the wherewithal to provide a better service, which is necessary, for the future.

I turn to an item which I raised previously. On 17 October at page 3383 of *Hansard,* in response to a question on the adjournment debate, the Minister for Local Government, representing the Minister of Transport, provided an answer on what is required for the development of the Frankston modal transport interchange. That answer specified that over the next three or four years, as funds become available, the Government would allocate $20 million to this transport modal interchange.

I shall broadly specify what is included in that type of work. There is an allocation of $5 million to construct a road-over-rail crossing at Beach Street. The present crossing is a major traffic hazard. A further proposal is to rebuild the Frankston railway station at an approximate cost of $4 million. It is proposed that the line to Langwarrin and Longwarry will be electrified and new stations will be provided at Longwarry and Langwarrin and, most importantly, provision will be made for 1700 car-parking spaces at those stations. The proposals developed by the Ministry of Transport have been expounded by a consultant, Mr John Urbahns, who has proposed a scheme to the Frankston City Council and the Frankston Chamber of Commerce that a transport modal interchange be provided at an approximate cost of $20 million. The council is considering the proposition.

The scheme is futuristic because, when the Frankston station is rebuilt, it will take into account the transportation of people by bus, car and taxi to Frankston's business centre. Additionally, outside the area of Frankston and, more remotely, at Langwarrin and Longwarry, car parking spaces will be provided to allow many people to park their cars at those railway stations. That is the type of planning that will be necessary in the years ahead.

It has been proposed that the Government should examine the use of VFL Park, Waverley, as a major parking area to focus peoples' attention on public transport. That type of programme would encourage people to use the existing rail system.

The additional track between Caulfield and Mordialloc is another example of the type of development needed. The third line will enable express trains to run during the peak period and, therefore, will increase rail capacity. The current capacity is ten trains an hour. However, the construction of the third line is moving too slowly. It seems that one fellow wields a bucket of stones from one side of the railway line to the other once a month and that is the extent of the work being done. The only way to increase the rail system's financial viability is by upgrading the current system.

I now relate my remarks to pedestrain overpasses. The Government must ensure that the railway system does not clog up the other systems which include level crossings and pedestrian overpasses. For example, in Chelsea there is a need for children to travel from the beach side across the highway and the railway line to attend school. I am pleased to report that, within the last six months, the Minister of Transport organized a joint committee comprising representatives of the Country Roads Board and VicRail to meet with the councillors of the City of Chelsea to investigate how the pedestrian crossing can be made safer. The Minister has also forecast that a joint committee will be established consisting of representatives of VicRail, the Country Roads Board and the city council to discuss the beautification of railway amenities. A vast amount of open land is occupied by railway tracks. It would be preferable if that land could be made aesthetically appealing.

The Government should ensure that finances are kept flowing on the projects I have mentioned. The railway system should be further upgraded and that policy of upgrading should be closely adhered to by the Government.

The Hon. G. A. S. BUTLER (Thomastown Province)—One could be forgiven for considering the Bill to be a somewhat politically construed method of Government expenditure. I do not see any real moneys being provided for major and urgent railway works in the northern suburbs. The only project in that area is the Somerton bogie exchange centre at a cost of $500 000. However, the Government will have to purchase the land which means that that project will not proceed very far this year.

For VicRail Pipelines Proprietary Limited, which is concerned with pipelines to the oil terminal, the provision is only $300 000. I do not want to be understood as criticizing the project, but it appears that the Geelong area will acquire the long overdue $3 million for the duplication of the tracks between Little River and Corio. Not much can be said about the Ballarat railway line.

All members opposite appear to be happy about the allocation of funds, but the first thing that strikes one right between the eyes is a reduction of 15 per cent on the previous year's allocation. If one adds inflation, the reduction is nearer to 25 per cent. No one could complain that the Victorian Railways system is over-endowed with finances for capital works.

I have not yet received a reply from the Minister of Transport as to the electrification of the Broadmeadows to Craigieburn railway line, or when the railway crossings at one or two spots in Thomastown will be constructed. Nowhere is there any suggestion when the proposed terminus at Somerton or the Upfield line connection with the Broadmeadows line will take place. As the member for Thomastown, I can only conclude that the electors in my province will receive very little benefit at all from the Transport Works and Services Bill.

It is pleasing to note that at least one Labor area will receive some attention from the electrification of the Altona to Werribee line—that is a long overdue project. It is interesting to note that a lot more railway electrification and duplication and, presumably, better services, will be provided to those other areas about which the Government is beginning to show some concern about public transport, namely, Werribee, Chelsea and Geelong. I wonder why?

I am pleased with Mr Mackenzie's explanation of the Geelong bicycle track facilities because, for a moment, I thought that the commuters had been requested to take their bicycles along to the station so that, when the trains break down, the commuters could cycle to complete their journeys.

It is a tragedy that the Transport Works and Services Bill is deprived of $8 million of its previous budget. A contingency is made for the possible expenditure of $95 million. It is to be hoped that the Minister of Transport will reconsider the estimates and allocate funds for some of the proposed provisions. The commuters of Thomastown will look forward to any benefits the Bill might extend to them.

The Hon. ROBERT LAWSON (Higinbotham Province)—It is disappointing that the allocation for transport works this year is considerably lower than last year. In 1978–79, the expenditure on railway works was $54·421 million, but this year the amount provided is lower. Commonwealth grants are lower, railway funds are lower and the allocation for this financial year is $46·260 million, a drop of 15 per cent.

The project that is dearest to my heart is the additional track between Caulfield and Mordialloc. The amount spent last year was $428 000, but this year only $400 000 has been provided. Last year very little work was done on that railway line and, presumably, there will be even less work done this year. It is to be hoped that next year the Minister of Transport's hard heart will be softened and that he will obtain more money from the Treasury to go on with this important railway line.

I mentioned the other night the importance of the additional track between Caulfield and Mordialloc. Nothing has happened in the interim to diminish its importance. It is an important commuter railway line. Mr Stacey mentioned the density of passenger traffic through Caulfield, the busiest suburban station.

The underground railway loop will not attain its full capacities and return its full value until the suburban railway network has been upgraded and improved, and extra railway track constructed. Each province has its own transport problems and the Higinbotham Province has many. The Government should allocate more money for public transport rather than spend it on extra freeways. If it is possible to reduce the number of people using the roads by even 15 per cent, this should obviate the end for new freeways.

In my journeys on the railways, I have noted a number of times that lads from various schools bring their bikes up on to the platform, put them in the carriage and ride with them from one station to another. I have seen that happen repeatedly. The Government should provide for the carriage of bicycles on trains, not, as Mr Butler suggested, for the purpose of riding bikes when the trains break down.

That does not happen on the line I use. On my line, no matter what the faults, the trains keep trundling back and forth. I suggest that the appropriate Minister take up with the Minister of Transport the suggestion that provision be made for bicycles on trains. I have taken my own bicycle on to the train and have been shuffled into the guard's van where, because of the limited size, there is not enough accommodation.

Provision has been made in the Bill for $350 000 to be spent on bicycle facilities this financial year and $310 000 in the next financial year. Presumably this is for bicycle racks and so on. I do not think VicRail has made any provision for the carriage of bicycles. To service areas with commuter traffic such as on the line I use, provision ought to be made in one carriage on every train for the removal of seats so that people could ride their bicycles to the railway station, put them on the train, travel to their destination and then go forth again into the world mounted on a bicycle. I would be one of the patrons. It would be very handy to ride down to Flinders Street, catch the train and then ride home from the station.

As honorable members are aware, each station has a certain catchment area. The only reason passenger traffic has been maintained at the current level is that car-parking facilities for commuters have been provided alongside railway stations. This development has occurred since the war. I should like to see this taken further with provision being made so that bicycles could be used in conjunction with trains and everyone could travel in this way. With all the trouble being caused by the Ayatollah Khomeiny, it could be that in a short while it will not be possible for patrons to drive motor cars even to the station, so this matter is well worth the consideration of the House.

The sitting was suspended at 6.35 *p.m. until* 8.7 *p.m.*

The Hon. ROBERT LAWSON—Before the suspension of the sitting, I was about to refer to the Tait red rattlers which operate on the Sandringham line. The electrification of the suburban railway network commenced in 1925 and I have a photograph at home of one of the earlier Tait red trains standing at Flinders Street railway station at that time. Those trains are still running on the Sandringham line although they now have sliding doors instead of swinging doors—that is an excellent illustration of the advance in design, since 1925, of trains operating on the Sandringham line. These Tait cars still running are excellent examples of early twentieth century Victorian Railway construction, but my constituents do

not want to be part of Victoria's transport museum, they want modern trains running on their railway lines and naturally enough look forward to the day, which we hope is not too far distant, when the last red rattler trundles off into the distance; although we may shed a tear, it will not last for long.

I expressed earlier the disappointment felt over the reduction in grants made available for the next financial year. It is reminiscent of the 1940s and 1950s when the railways were starved for funds. That was in the days when we still had faith in the internal combustion engine and believed the railways and fixed rail transport systems would not last for long, that they would eventually be replaced by motor cars, buses and large trucks.

It was the common belief held by all parties and every class of society that this would eventually come about but, sadly, over recent years we have learnt our folly.

As honorable members may recall, in recent years many of our fixed rail transport systems were abolished. I have in mind the tramway systems operating in Ballarat, Geelong and Bendigo. Those systems were allowed to fall into a state of disrepair and were eventually abolished. However, this was not common only to Liberal administrations as I can point to the cities of Sydney and Brisbane where far more important urban tramway systems were abolished under Labor administrations.

The Hon. C. J. Kennedy—Like what?

The Hon. ROBERT LAWSON—Like those of Sydney and Brisbane, where fixed rail transport systems were abolished under Labor administrations. I am not trying to score a political point, I am just pointing out that this belief was common to all parties and classes of society a few years ago, but today the community appreciates that a fixed rail transport system is vitally important for this State and should be preserved. Honorable members have witnessed a gradual rejuvenation, not only in our railway system but also in our tramway services.

Let us hope that this reduction in railway grants this year is not a spoke in our wheel but merely a hiccup in the progress of public transport.

The Hon. B. A. CHAMBERLAIN (Western Province)—I wish to deal with that aspect of the Bill relating to the movement of grain in this State, particularly grain through the port of Portland. In this area of activity there has been a fairly dramatic change in recent years. The annual report of the Portland Harbor Trust contains figures for the year ended 30 June last which show that some 340 000 tonnes of bulk grain flowed through the port of Portland in the previous twelve months. However, according to the annual report of the Grain Elevators Board, which covers the year from November to November, approximately 1 million tonnes of wheat flowed through the port of Portland, and most of that grain came to the port by rail. That figure represents approximately 10 per cent of Australia's export wheat. Portland, along with Geelong, is playing a significant role in the export field.

In relation to the figures for the Grain Elevators Board year from November to November, which revealed a tonnage of 1 million tonnes, it is interesting to note that it was stated by some Government critics two years ago that it was not possible to achieve that figure but, recently, a prediction was made by representatives of the Australian Wheat Board, at the opening of the new Grain Elevators Board building in Melbourne, that that figure could increase with up to 2 million tonnes of grain flowing through the port of Portland.

Honorable members will find reference to this in the annual report of the Transport Regulations Board for 1978–79, especially that section dealing with co-ordination of transport—there is some road transport involved in grain movement. Co-operation is taking

place between the various handling authorities and this statement appears on page 14 of the report:

> Joint involvement of authorities responsible for receipt and handling of grain achieved a high degree of co-ordination in the movement of the record harvest, and meetings between VicRail, the Grain Elevators Board and board officers are continuing to supervise the movement to seaboard of grains, in step with overseas shipping requirements.

This year the original estimate of the grain harvest was 3·5 million tonnes but by the end of the season it was just under 4 million tonnes. In company with my colleague, the honorable member for Portland in another place, I visited the Portland office of the Grain Elevators Board, towards the end of the board's financial year, and at that stage of the year the input from the railways was something like 18 000 GY wagons, which are 35 tonne wagons, and 900 GJF wagons, which are 55 tonne wagons, and there were 800 road loads. The officers of the Grain Elevators Board paid a tribute to VicRail and its employees for the tremendous co-operation which had been exhibited and the efforts made in moving the grain harvest this year.

Earlier in the year a prediction had been made that there could be as much as 1 million tonnes of grain in store at the commencement of the new season, but the grain in store will be considerably less than that. It was a remarkable effort and an illustration of what can be done with co-operation and understanding.

It is important to realize that we are using antiquated GY wagons which apparently are a problem at Portland as they are very slow to unload. There is presently under way a programme of converting 400 of those wagons to GH wagons, which can be unloaded in a matter of minutes.

That is a technological conversion and an updating to meet modern needs.

In answer to a question asked recently by Mr Dunn, figures were given on the numbers of GH wagons already in service, and those which were still to come. As I said before, the movement of the grain harvest this year would not have been possible without the hard work of employees of VicRail and the Grain Elevators Board and the general co-ordination of the whole work. As Mr Dunn and other honorable members have said, these days the tendency is for movement towards larger and faster block trains. People criticize the fact that smaller loadings are going by road transport but the movement towards larger trains is not confined to Victoria. I have told the House of the experience in New Zealand where there has been a considerable move towards larger trains.

I refer to a book called *Britain* 1979 which is the official handbook of Great Britain. On page 295 it deals with the same issue when introducing transport services, and one paragraph states:

> The most important freight commodities handled in 1977 were coal and coke (94 million tonnes) and iron and steel (26 million tonnes). Other commodities, such as petroleum products, cars, refuse, roadstone and construction materials, are becoming more important and British Rail is concentrating on traffic particularly suitable for carriage by rail—

They are very important words:

> especially long-distance and bulk trainload traffic. Trainload traffic accounts for about 80 per cent of freight tonnage, compared with 31 per cent in 1968.

That is exactly in line with the policy of the Government and the policy of the report into land transport in Victoria, because the same emphasis was made as is made in this paragraph, that the railways should concentrate on those areas where they operate most efficiently, that is, on the larger train which in many cases can have one commodity on the train and can move at a great speed. The words in the book are:

> British Rail is concentrating on traffic particularly suitable for carriage by rail, especially long-distance and bulk trainload traffic. Trainload traffic accounts for about 80 per cent of freight tonnage, compared with 31 per cent in 1968.

That means there is an increase from 31 per cent ten years ago to 80 per cent now. That is completely consistent with the practice being adopted in this State at present.

One final point, and there is provision for it in the Bill, relates to the increase in traffic on the line between Ararat and Portland and the capacity of the line to cope with the traffic. On previous occasions I have informed the House that the only difficulties in the line are in the area between Hamilton and Portland. It is pleasing to note that construction has started on a substantial crossing loop at Condah. I am not sure of the cost of that, but obviously it is expensive and obviously it will have a significant effect on the capacity of that important section. I expect that with the gradual implementation of more facilities the capacity will increase to such an extent that the additional tonnages I have outlined which have been forecast by the Wheat Board will be delivered most satisfactorily.

The motion was agreed to.

The Bill was read a second time and committed.

Clause 1 was agreed to.

Clause 2 (Issue and application of money from Works and Services Account for transport purposes)

The Hon. D. G. CROZIER (Minister for Local Government)—Traditionally, a railway works and services Bill, like any works and services Bill, provides the opportunity for honorable members to comment on a wide range of subjects of particular interest to them, in this case pertaining inevitably, I suppose, to the full operation of the railways. Although the Bill deals with capital funds, it was perhaps inevitable and understandable that the debate was expanded to include certain aspects relating to revenue from the railways.

I will not attempt to reply in detail to every point raised by honorable members. I assure the House that the comments of every member who has contributed to the debate, which has produced thoughtful comment from all honorable members who have spoken, will be conveyed to my colleague in another place. The comments of Mr Eddy, Mr Mackenzie and Mr Butler for the Labor Party, Mr Dunn and Mr Baxter for the National Party, and Mr Jenkins, Mr Stacey, Mr Lawson and Mr Chamberlain for the Government, will be so conveyed.

I will make one or two general comments on the criticism which, of course, has flowed particularly from members of the Labor Party. That is entirely their right with a Bill of this sort. Regardless of the funds available, with any Bill of this sort there is likely to be some criticism, but I point out again to the House that the breakdown of capital funds available dealt with in the Bill certainly shows a reduction of 15 per cent. There is a 21 per cent reduction from Commonwealth grants, a 10·9 reduction from State grants and a 44·6 per cent reduction in railway funds. Of course, railway funds available for capital works are being derived from the sale of certain railway assets. I will not suggest to the House that all the problems in the area of capital funding flow from decisions in Canberra. I point out, however, that the reduction of 10·9 per cent in State funding for railway capital works flows directly from a decision of the Loan Council this year to reduce by more than 13 per cent the funds available to Victoria for capital works projects.

I make a further general comment. In determining priorities and, indeed, before criticizing the Federal Government for this type of delineation, I remind the House that the over-riding responsibilities of a Federal Government are, firstly, sound financial management. The achievements of our Federal colleagues in this regard are a matter of record. Secondly, there are over-riding priorities at the national level. I refer particularly to the needs of defence which, in my view, should have priority over most other matters. There are certain honorable members in the House, colleagues of mine particularly, who are vitally interested in these matters. I refer especially to Dr Foley and Mr Hamilton, both of whom not only have considerable knowledge in the area but also personal experience of defence forces. I mention this to indicate that I am not going to take the easy way out and simply sheet home to the Federal Government

the full responsibility for this reduction in loan funding. However, it is a matter of record that as a State Government we are disappointed in the total level, first of all, of loan funds available as a direct result of the Loan Council determinations and Commonwealth funds.

The Hon. B. P. Dunn—Is the Minister aware that the Federal Government has proposed the electrification of the Melbourne-Sydney line?

The Hon. D. G. CROZIER—I did not quite hear Mr Dunn's comment but I shall be interested to hear it later. Mr Eddy suggests, and I do not doubt that this is sincerely meant, that the State Government should somehow replace that deficiency of $8 million, or $8·16 million to be precise, and that this amount should be found somehow and should be reinjected into the railway works and services early in the new year to assist the employment situation and railway funding. That is an admirable objective, but Mr Eddy did not quite explain to my satisfaction how it was to be done.

Mr Mackenzie spoke of his surprise —I think he used the words "extreme disappointment". One of his criticisms rested on the false economies, as I understand his argument, in fuel savings. I think Mr Dunn touched partly on this argument in his criticism of the Government's policy of closing certain rail lines.

I should like to quote briefly from the report of the Victorian Railways Board for the year ended 30 June 1979. I refer to the section headed "On the Right Track" on page 2, which refers to:

> . . . a considerable lack of public understanding as to the economic role of the rail mode in an efficient land transport network.
>
> . . . . . .
>
> This lack of understanding, and consequent public opposition to change, tends to be further emphasized by confusion as to relative fuel economies arising from the current situation in regard to the availability and price of oil-based fuels. The fact that is often overlooked is that while rail is by far the most efficient user of fuel for high-volume land transport operations, this is not the case in respect of low volume tasks such as branch line passenger services, or the local pickup and delivery function for which road is now being utilized by VicRail through Regional Freight Centres.

The article continues:

> It is equally wasteful to keep open a poorly-utilized railway line on which a high-capacity locomotive has no more than a few wagons to haul.

The section I want to quote concludes with this observation:

> Since the inception of the Board in 1973, 292 km of rail route have been closed in Victoria, and a further 335 km are under investigation for closure. Nevertheless, the scope for rationalizing the use of rail and road modes in Victoria in the interests of fuel and other economies is by no means exhausted, and further such measures, either in respect of entire low-density lines or of particular services on higher-density routes, must be introduced if inefficient operating and waste of resources are to be avoided.

It is not just a simplistic matter of expecting the rail system to make a profit, as Mr Dunn inferred. I entirely agree with him that in any State-owned rail system there must be an element of community service. Where I part company with Mr Dunn is, of course, on priorities. I do not want to lead the House again through further debate on that now famous line, the Hamilton-Noradjura line. As Mr Dunn well knows, the easement on that line, and as I understand it any other lines that have been closed, will be retained by the railways. If at some future stage the economies and logistics of the railways, particularly in regard to grain, justify it, the railways have the option of reconstructing a modern railway service along these lines. At present there is no imperative at all and with the present and likely funds there are compelling priorities in other areas.

The Hon. B. P. Dunn—Like the underground.

The Hon. D. G. CROZIER—The underground has nothing to do with this Bill and, I suggest, very little to do with the debate. I am prepared to endeavour to answer in detail on behalf of my colleague in another place any comments that may be forthcoming as the Committee progresses through the Bill. I indicate that the Government, while it notes the opinions

expressed, maintains as one of its primary responsibilities the question of delineating priorities. My view is that the Minister of Transport and the Railways Board have determined their priorities realistically in the light of prevailing circumstances.

The Hon. R. A. MACKENZIE (Geelong Province)—I refer to the duplication of the Geelong line between Little River and Corio. I am being parochial. The duplication of the Geelong railway line has been the cause of some laughter, but I urge the Minister to ensure its completion because many people have been awaiting the duplication for a long time. The total sum provided will be $3 million, which I assume will include some of the necessary signal work. Last year $800 000 was allocated of which only $440 000 was spent. I emphasize that all efforts should be made to ensure that the duplication of this line is finished this financial year.

The Hon. G. A. S. BUTLER (Thomastown Province)—I relate my remarks to payments to municipalities and other authorities for roadworks. I take exception to the suggestion by the Minister that the Federal Government has been providing sound management. I have received correspondence from the Minister of Transport in which he points out on page 2 that for the whole of Australia the Federal Government will provide $546 million this year and, of this, Victoria's share is only $113·7 million.

The CHAIRMAN (the Hon. W. M. Campbell)—Mr Butler, you say you are quoting from page 2—would you mind telling the Committee page 2 of what?

The Hon. G. A. S. BUTLER—The correspondence is undated, but I received it within the past 6 or 7 weeks from the Minister of Transport enclosing a discussion paper on road funding. It refers specifically to grants made to municipalities. The Minister has implied that there was sound financial administration yet the Minister is complaining, legitimately in my opinion, about the miserable allocation to the Victorian Government despite the fact that Victoria still provides $1.25 from State resources for every Federal dollar received. As I said, the Federal Government has allocated $113·7 million to the Victorian Government for use on roads. The paper states:

> The Commonwealth, in distributing its miserable contribution from the huge funds collected from the motorist and from oil further requires that 34 per cent of the funds made available to Victoria be spent on 2 major roads only, so-called "National Roads"—the Hume and Western Highways,

I wonder why the Western Highway? It continues:

> and one small National Commerce roads project, the entrance to the Essendon Airport.

They may well be commendable projects but the Minister is defending the Commonwealth Government's good management and then in correspondence the Minister of Transport describes the Federal Government's contribution as a miserable contribution.

The Hon. D. G. Crozier—To the Road Fund—comments with which I entirely agree in that specific reference.

The Hon. R. J. EDDY (Thomastown Province)—On clause 2, I ask the Minister to explain the item concerning the eastern railway. The Bill allocates expenditure this year of $1 million. Last year approximately $3 million was allocated. I ask the Minister to explain more fully what is taking place on the project. The Bill states, "including land acquisition". I have not seen any work being carried out on the eastern railway.

On two occasions the Public Works Committee has pointed out to the Government that the railway should be constructed but those recommendations have been disregarded. In the past two years, $4 million has been allocated for this project, including $1 million to the end of June next year. What works are being carried out? Where is the money being spent? What is the public able to see for the money that has been allocated?

The Hon. D. G. CROZIER (Minister for Local Government)—I shall comment briefly on the comments made by the three honorable members. I know that Mr Mackenzie sincerely expressed

interest in the further duplication of the Geelong railway line. The allocation has certainly increased and the total expenditure for this financial year has been increased to $800 000. The total provision in the Bill is $3 million. I cannot give Mr Mackenzie a precise answer about the progress of the work or what the anticipated expenditure will be, but I will take that up with my colleague, the Minister of Transport.

Mr Butler referred to road funding. My comments about the Federal Government's difficulties and determination of priorities will be that the criticism is often made in a general sense of the Federal Government's economic management. I do not indicate that the Victorian Government is using this as the prime factor in defence of the Federal Government but I point out that, as an explanation of some of the difficulties which the Federal Government faces, Victoria is not the only Government that has problems in carving up the financial cake. I did not say I was satisfied with the formula used to determine Victoria's share of road funding. I agree entirely with the letter from the Minister of Transport. I have and will continue to support the Minister in every way for what I regard as a more equitable share of road funds from Federal sources.

Mr Eddy referred to expenditure on the eastern railway. My understanding is that the amount of $430 000 listed in the proposed expenditure to 30 June 1980 has been allocated for the purchase of land for the eastern railway. In the past, land has been purchased where hardship has been proven and the allocation is ear-marked for this purpose.

The clause was agreed to, as were the remaining clauses.

The Bill was reported to the House without amendment, and passed through its remaining stages.

TOWN AND COUNTRY PLANNING (PLANNING SCHEMES) BILL

The message from the Assembly relating to amendments in this Bill was taken into consideration.

Assembly's amendments—

1. Clause 3, line 38, omit "deemed to have been" and insert "and shall be deemed to have been always".
2. Clause 3, page 3, line 13, omit "validly came into operation on" and insert "and to have had full operation and effect on and from".
3. Schedule, Table A, page (vii), columns 4 and 5, after—
   "11 April 1979 .. An amendment in the form of the Ballaarat and District Planning Scheme 1966, Amendment No. 48, approved by the Governor in Council on 10 April 1979".
   insert—
   "20 June 1979 .. An Amendment in the form of the Ballaarat and District Planning Scheme Amendment No. "G" approved by the Governor in Council on 12.6.79".
4. Schedule, Table A, page (xi), columns 4 and 5, after—
   "21 December 1977 An amendment in the form of the Ballaarat and District Planning Scheme 1966, Amendment No. 7—1977 (Shire of Ballarat) approved by the Governor in Council on 13 December 1977".
   insert—
   "20 June 1979 .. An amendment in the form of the Ballaarat and District Planning Scheme Amendment No. "G" approved by the Governor in Council on 12 June 1979".
5. Schedule, Table A, page (xvi), columns 4 and 5, after—
   "20 December 1978 An amendment in the form of the Ballaarat and District Planning Scheme 1966, Amendment No. 8, 1978 (Shire of Bungaree) approved by the Governor in Council on 19 December 1978".
   insert—
   "20 June 1979 .. An amendment in the form of the Ballaarat and District Planning Scheme Amendment No. "G" approved by the Governor in Council on 12 June 1979".
6. Schedule, Table A, page (xix), columns 4 and 5, after—
   "5 July 1978 .. An amendment in the form of the Ballaarat and District Planning Scheme 1966, (Shire of Buninyong) Amendment No. 6 approved by the Governor in Council on 27 June 1978".
   insert—
   "20 June 1979 .. An amendment in the form of the Ballaarat and District Planning Scheme Amendment No. "G" approved by the Governor in Council on 12 June 1979".
7. Schedule, Table A, page (xxi), columns 4 and 5, after—
   "19 April 1978 .. An amendment in the form of the Ballaarat and District Planning Scheme, Amendment No. 2 (Shire of Grenville) approved by the Governor in Council on 11 April 1978".
   insert—
   "20 June 1979 .. An amendment in the form of the Ballaarat and District Planning Scheme Amendment No. "G" approved by the Governor in Council on 12 June 1979".
8. Schedule, Table A, page (xxv), columns 4 and 5, after—
   "13 June 1979 .. An amendment in the form of the Ballaarat and District Planning Scheme 1966, (Borough of Sebastopol) Amendment No. 13 approved by the Governor in Council on 5 June 1979".
   insert—
   "20 June 1979 .. An amendment in the form of the Ballaarat and District Planning Scheme Amendment No. "G" approved by the Governor in Council on 12 June 1979".

9. Schedule, Table A, page (xxxi), at the end of the Table insert—

Hazelwood Planning Scheme	25.11.64	This scheme shall be deemed to consist of the Hazelwood Joint Planning Scheme 1963 approved by the Governor in Council on 17.11.64	12.3.75	An amendment in the form of the Hazelwood Joint Planning Scheme 1963, Amendment No. 2 1969, approved by the Governor in Council on 4.3.75	Shire of Morwell
			12.3.75	An amendment in the form of the Hazelwood Joint Planning Scheme 1963, Amendment No. 3, 1973 approved by the Governor in Council on 4.3.75.	
			31.8.77	An amendment in the form of the Hazelwood Joint Planning Scheme, Amendment No. 3A approved by the Governor in Council on 23.8.77.	
			16.4.75	An amendment in the form of the Hazelwood Joint Planning Scheme 1963, Amendment No. 4, 1975 approved by the Governor in Council on 8.4.75	
			23.4.76	An amendment in the form of the Hazelwood Joint Planning Scheme 1963, Amendment No. 5, 1975 approved by the Governor in Council on 13.4.76.	
			23.6.76	An amendment in the form of the Hazelwood Joint Planning Scheme, Amendment No. 6, 1976 approved by the Governor in Council on 16.6.76.	
			9.2.77	An amendment in the form of the Hazelwood Joint Planning Scheme, Amendment No. 6A, 1976 approved by the Governor in Council on 2.2.77.	
			29.9.76	An amendment in the form of the Hazelwood Joint Planning Scheme, Amendment No. 7, 1976 approved by the Governor in Council on 21.9.76.	
			14.2.79	An amendment in the form of the Hazelwood Joint Planning Scheme, Amendment No. 8, 1978 approved by the Governor in Council on 6.2.79.	

10. Schedule, Table B, page (xxxii), at the end of the Table insert—

"Hazelwood Joint Planning Scheme 1963 approved by the Governor in Council on 17 November 1964".

11. Schedule, Table C, pages (xxxv) and (xxxvi), omit—

"Hazelwood Joint Planning Scheme 1963 approved by the Governor in Council on 17 November 1964	Hazelwood Joint Planning Scheme 1963, Amendment No. 2, 1969	4 March 1975	.. 12 March 1975
	Hazelwood Joint Planning Scheme 1963, Amendment No. 3, 1973	4 March 1975	.. 12 March 1975
	Hazelwood Joint Planning Scheme, Amendment No. 3A.	23 August 1977	.. 31 August 1977
	Hazelwood Joint Planning Scheme 1963, Amendment No. 4, 1975	8 April 1975	.. 16 April 1975
	Hazelwood Joint Planning Scheme 1963, Amendment No. 5, 1975	13 April 1976	.. 23 April 1976
	Hazelwood Joint Planning Scheme, Amendment No. 6, 1976	16 June 1976	.. 23 June 1976
	Hazelwood Joint Planning Scheme, Amendment No. 6A, 1976	2 February 1977	.. 9 February 1977
	Hazelwood Joint Planning Scheme, Amendment No. 7, 1976	21 September 1976	.. 29 September 1976
	Hazelwood Joint Planning Scheme, Amendment No. 8, 1978	6 February 1979	.. 14 February 1979"

The Hon. A. J. HUNT (Minister of Education)—I move:

That the amendments be agreed to.

Despite their formidable appearance, the amendments add only two items to the schedule to the Bill. Before the measure was dealt with in another place, the Minister for Planning requested that a further check be made so that Parliament could be absolutely certain that the proposed legislation referred to all planning schemes which required validation. Amendment No. "G" to the Ballarat and District Planning scheme was ascertained after instructions for the preparation of the Bill had been given. That is understandable.

The first eight items in the amendments made to the schedule add the appropriate references to the amendments made to the various schemes by amendment "G" to the Ballarat and District Planning Scheme. The other items relate to a joint planning scheme in addition to those named in Table A of the schedule, the Hazelwood Joint Planning Scheme. That joint planning scheme is referred to in the amendments made by the Legislative Assembly and the various amendments to it are also included. Despite the appearance of the amendments, there are only two additions.

On the motion of the Hon. W. A. Landeryou, for the Hon. E. H. WALKER (Melbourne Province), the debate was adjourned.

It was ordered that the debate be adjourned until later this day.

URBAN LAND AUTHORITY BILL

The Hon. F. J. GRANTER (Minister of Water Supply)—I move:

That this Bill be now read a second time.

It provides for the creation of an Urban Land Authority, the principal purpose of which is to consolidate the land development and marketing functions formerly exercised by the Urban Land Council and the Housing Commission.

The Urban Land Council has operated successfully in the sales management of urban land and the Housing Commission has acted as its agent in purchasing land for development. However, it is considered advisable to bring this into statutory form and in so doing to take advantage of available expertise and facilities to develop and sell other land, including selected Housing Commission estates, although the authority will not necessarily develop all land committed to it for sale, as in some circumstances sale on a broad-acre basis may be considered more appropriate.

The authority's programme for urban land development will recognize the essential role of the private sector, and will fully co-operate to ensure that an adequate supply of residential lots at reasonable prices is maintained. The primary objective of the authority will be to sell land already purchased and for this reason it will not have power to purchase land.

The authority will have six members representing both Government and the private sector. It will have a small expert staff and will utilize private enterprise services in planning, surveying, engineering, building and marketing.

The provisions of the Bill call for Ministerial oversight of the operations of the authority and for an annual report and accounts to be tabled in Parliament, thus ensuring that the authority's activities may be appropriately monitored.

Also in accordance with Government policy, the authority's performance will be reviewed under the sunset provisions which have been foreshadowed. It should not be thought that the introduction of this legislation at this time in any way pre-empts the findings of the Royal Commission, which has yet to make its report. Should its findings indicate any need for changes, amending legislation will be prepared.

The Government regards this as a most important legislative measure. The new authority will be developed in a business-like manner with a tight, efficient management structure and will make every endeavour to expedite development and disposal of lands placed under its management.

It was foreshadowed in another place by the Minister of Housing that consideration would be given to an amendment to provide for disclosure of interests by members of the new authority. The Minister has indicated that at this time he intends to act administratively in requiring a disclosure of interests by each proposed member prior to his appointment. An amendment will be prepared and presented to the autumn sessional period of Parliament in relation to members' interests. The suggestion made by the honorable member for Gippsland South will be taken into consideration in the preparation of the amendment.

The honorable member for Broadmeadows raised the issue of sale methods, and this has also been investigated. No amendment is proposed. Land will be sold to any individual and to registered home builders with minimum conditions necessary to ensure that they are genuine home builders and to prevent speculation in developed allotments.

I do not propose to speak to the remaining details of the Bill, as an explanatory memorandum has been prepared which deals with the contents of the clauses. I commend the Bill to the House.

On the motion of the Hon. R. J. Eddy, for the Hon. E. H. WALKER (Melbourne Province), the debate was adjourned.

It was ordered that the debate be adjourned until later this day.

COUNTY COURT (JURISDICTION) BILL

The debate (adjourned from November 27) on the motion of the Hon. Haddon-Storey (Attorney-General) for the second reading of this Bill was resumed.

The Hon. W. A. LANDERYOU (Doutta Galla Province)—The Attorney-General has had adequately explained to the House the purposes of this proposed legislation. The Labor Party offers no opposition.

The Hon. W. R. BAXTER (North Eastern Province)—Similarly, from the National Party's point of view, I point out that the Bill simply takes note of the loss of value of money and increases the limit determining the jurisdiction of the County Court in civil matters.

The motion was agreed to.

The Bill was read a second time, and passed through its remaining stages.

TRUSTEE COMPANIES (TRUSTEES EXECUTORS) BILL

The debate (adjourned from November 28) on the motion of the Hon. Haddon Storey (Attorney-General) for the second reading of this Bill was resumed.

The Hon. W. A. LANDERYOU (Doutta Galla Province)—Mr President, I draw your attention to the state of the House.

A quorum was formed.

The Hon. W. A. LANDERYOU—This is a small but important Bill. Again, in my view, the Minister has already explained its purpose to the House.

However, I would be remiss if I were not to acknowledge the representations made to me and other members of the Labor Party on the Bill by the Real Estate and Stock Institute. Nevertheless, as I understand, the thrust of the measure was considered by the Statute Law Revision Committee and a unanimous all-party report was made. The Labor Party offers no opposition.

The motion was agreed to.

The Bill was read a second time, and passed through its remaining stages.

TRUSTEE COMPANIES (AMENDMENT) BILL

The debate (adjourned from November 28) on the motion of the Hon. Haddon Storey (Attorney-General) for the second reading of this Bill was resumed.

The Hon. W. A. LANDERYOU (Doutta Galla Province)—I have been reliably advised from all parts of the House that this Bill is the one which the Real Estate and Stock Institute complained about. However, as I understand it, the Statute Law Revision Committee made certain recommendations arising from which the Government has acted.

The Labor Party takes the view that consideration of viewpoints has been sufficient, and therefore offers no opposition.

The Hon. W. R. BAXTER (North Eastern Province)—As Mr Landeryou indicated, the Real Estate and Stock Institute of Victoria made representations on this proposed legislation, and a letter on the matter dated 3 December—yesterday—came into my hands just 5 minutes ago. The institute expresses some concern about the short time given to the consideration of this measure, it having been introduced last week and presented again tonight.

The proposals in the measure were considered by the Statute Law Revision Committee and given the green light, so at this stage the National Party has not really had an opportunity of considering the objections lodged by the institute, and will consider them more closely while the Bill is being transmitted from this House to another place.

The institute objects, in particular, to clause 4, which deals with the ability of a subsidiary of a trustee company to act as a real estate agent in a transaction where the trustee company is acting as principal for the beneficiaries of the piece of real estate being sold. The institute believes a conflict of interest would exist in such a situation.

On the face of it I would say that would be correct, but if one reads the Bill closely one finds that clause 4 makes it clear that a subsidiary real estate company may act only subject to certain clearly set out guidelines: Firstly, that all beneficiaries of the estate must be aged over eighteen years; secondly, that all beneficiaries who are interested in the relevant property and who are reasonably available must have consented to the transaction in writing—I am not sure about the definition of "reasonably available", but presumably that can be established—and, thirdly, that the relevant subsidiary corporation must be a licensed estate agent.

Taking those three factors into account, it would seem fairly obvious that all parties involved would be aware of the situation and there ought not, therefore, to be anyone deceived by it and there ought not to be a conflict of interest. Nevertheless, before the Bill is transmitted to another place, members of the National Party will take the opportunity of having further discussions with the institute and may wish to make further representations on it when it is dealt with in that place.

The motion was agreed to.

The Bill was read a second time and committed.

Clause 1 was agreed to.

Clause 2 (Amendment of No. 6311 section 28 (2))

The Hon. HADDON STOREY (Attorney-General)—I thank honorable members for their support of the Bill, which gives effect to the recommendations of the Statute Law Revision Committee. I, too, have received representations from the Real Estate and Stock Institute this afternoon and I also will consider those representations while the Bill is between the Houses. I am bound to say that, as Mr Baxter pointed out, the Bill contains safeguards which, in the view of the Statute Law Revision Committee and, I think, in the view of the Government, prevent there being any conflict of interest such as that with which the Real Estate and Stock Institute is concerned.

Under clause 4 of the Bill a subsidiary of a trustee company will not be able to act in relation to property of an estate which is being administered by the trustee company, except with the consent of the beneficiaries. All of the beneficiaries would have to be adult and of sound mind to be able to give that consent. It would therefore seem that they would know perfectly well what they were consenting to. In those circumstances, the fear expressed by the Real Estate and Stock Institute would not be relevant.

I point out that the Real Estate and Stock Institute this afternoon issued a press release which I saw briefly. Any suggestion that subsidiary companies of trustee companies would not be subject to the same restrictions and controls as any other estate agency company must be rebutted. The Bill does not give subsidiary companies of trustee companies which are licensed estate agents any rights which would not be enjoyed by any other estate agency company. On the contrary, it restricts them so that they would not have as full rights as other estate agents.

I note that honorable members support the Bill. The Government will examine the representations made by the Real Estate and Stock Institute before the Bill is dealt with in another place.

The clause was agreed to, as were the remaining clauses.

The Bill was reported to the House without amendment, and passed through its remaining stages.

MELBOURNE AND METROPOLITAN TRAMWAYS (BORROWING POWERS) BILL

The debate (adjourned from November 28) on the motion of the Hon. D. G. Crozier (Minister for Local Government) for the second reading of this Bill was resumed.

The Hon. R. J. EDDY (Thomastown Province)—The Bill amends the Melbourne and Metropolitan Tramways Act 1958 so as to increase the limit of the borrowing powers of the Melbourne and Metropolitan Tramways Board from $70 million to $100 million and to provide more flexibility in respect to the board's overdraft. During the current financial year, the board will reach the limit of its existing borrowing powers and it is hoped that, by raising the limit of its borrowing powers, the board will be in a position to finance further transport facilities and improvements within that field.

The Bill proposes to increase the board's borrowing to enable it to undertake its works programme. Although the Labor Party does not oppose the Bill, I am critical of the Government because the Minister, in his second-reading speech, stated that the proposed increase in the board's borrowing powers was necessary to enable the board to undertake its works programme. On 12 October last year, the Minister of Transport in another place introduced a Bill to authorize the construction by the Melbourne and Metropolitan Tramways Board of an electric tramway in the City of Preston, the Shire of Diamond Valley and the Shire of Whittlesea. The Bill was introduced

and passed by the Government to enable works to be carried out on that proposed project more than thirteen months ago. It authorized the Melbourne and Metropolitan Tramways Board to construct the new electric tramway from the present terminus in Plenty Road at Tyler Street in a northerly direction past the La Trobe University to a point just north of Settlement Road in Plenty Road. I am critical because as yet, there has not been one spade of soil turned in the construction of the proposed extension.

The people in the area of Bundoora and La Trobe University are continually asking what has happened to the proposed tramway extension which was recommended after a lengthy hearing by the Public Works Committee and a Bill was introduced into Parliament by the Government to extend the service from Tyler Street to north of Settlement Road, in Bundoora. That extension would have assisted a large number of students attending La Trobe University and Parade College. Furthermore, students attending the Preston Institute of Technology would have been able to walk from this terminus to the institute if the Government had gone ahead with the proposed project, but nothing has happened. At the time the Minister stated that the proposed new service to Bundoora authorized by the Bill would provide residents in the area with direct access by tram to the central business district, and so it would have if the Government had carried out the proposals contained in the Bill. The legislation enacted by the Government last year——

The PRESIDENT (the Hon. F. S. Grimwade)—I trust the honorable member is not about to redebate that measure which was dealt with some time ago by Parliament. I draw his attention to the rather limited scope of the Bill which is designed to increase the limit of the borrowing powers of the Melbourne and Metropolitan Tramways Board. I suggest to the honorable member that he may touch on the previous debate but he may not dwell on it.

The Hon. R. J. EDDY—I appreciate your assistance, Mr President, but the Bill provides for the extension of the borrowing powers to carry out improvements and works within the metropolitan tramways system. I was outlining the project for which the Government introduced enabling legislation some thirteen months ago and pointing out that nothing has yet happened in respect to it. When the Minister is replying in Committee, I should like him to indicate when the proposed extension from Tyler Street to a point north of Settlement Road will commence.

The Labor Party supports the measure because it will provide the Melbourne and Metropolitan Tramways Board with the opportunity of carrying our further works on the project I have mentioned and also carrying out works to improve its service by providing better conditions on tram services and air-conditioned trams, as mentioned in the second-reading speech. Quite a number of these trams are already in service and I know there are more to be introduced. My only criticism is that the proposed extension in East Preston has not yet commenced and it was promised some thirteen months ago.

The Labor Party supports the measure. I sincerely hope the Minister will refer my remarks to the appropriate Minister and ask him to ensure that those extensions are commenced as soon as possible, in the interests of the people in the area.

The motion was agreed to.

The Bill was read a second time and committed.

Clause 1 was agreed to.

Clause 2 (Amendment of No. 6311 s. 28 (2))

The Hon. D. G. CROZIER (Minister for Local Government)—I am not in a position to give Mr Eddy a precise answer to his question. I will certainly refer his interest to my colleague in

another place with a view to having him reply direct with the information that Mr Eddy seeks.

The clause was agreed to, as was the remaining clause.

The Bill was reported to the House without amendment, and passed through its remaining stages.

TOWN AND COUNTRY PLANNING (PLANNING SCHEMES) BILL

The message from the Assembly relating to amendments in this Bill was further considered.

Discussion was resumed of the Assembly's amendments Nos. 1 to 11 and of Mr Hunt's motion:

That the amendments be agreed to.

The Hon. E. H. WALKER (Melbourne Province)—This is a series of amendments that have been returned from the Assembly, which members of the Labor Party have considered closely. The subject is complex and the Labor Party does not intend to oppose the amendments. They are essentially a number of validating moves to a number of schemes. I will not take honorable members through them at length, but those who are interested will note that paragraphs (*i*) to (*v*) in clause 3 indicate the types of validations intended. The Labor Party does not oppose the amendments.

The motion was agreed to.

WATER SUPPLY WORKS AND SERVICES BILL

The debate (adjourned from November 28) on the motion of the Hon. F. J. Granter (Minister of Water Supply) for the second reading of this Bill was resumed.

The Hon. D. R. WHITE (Doutta Galla Province)—This is an important measure that is introduced at this time each year. On this occasion, its most distinctive aspect is its design to provide significant funds for country water supply and sewerage facilities and salinity measures. The most complex aspect of the proposals contained in the Bill is that the Bill is designed to implement and assist the Fraser Government's economic policies to decrease the funds provided by the public sector, in this case for the rural community of Victoria. This will have disastrous consequences in unemployment in rural areas.

This year, for the first time, the Government has seen fit to produce a booklet called *The 1979–80 Victorian Budget—Effect on Building and Construction Industry*. It was prepared by the Minister of Public Works. The first edition was produced on 11 October 1979. I refer the House to two of the tables that appear in that document. The first is for the year 1979–80 and is headed, "Government Departments and Authorities Capital Works Programme". It refers to country water supplies and states that, for the year 1979–80, $80·182 million will be provided for country water supplies. As I indicated at the outset, the title is a misnomer because it refers to things other than water supply. For 1978–79, significantly greater sums were available for these purposes. There has been a significant reduction in capital works programmes for country water supplies. In 1978–79, at least $79·371 million was provided. In other words, this year's allocation is an absolute increase of $1 million. In real terms, this represents a decrease of 8 per cent to 10 per cent.

That document was subsequently withdrawn by the Minister of Public Works and replaced by another document because the honorable gentleman found that the figures provided on 11 October were incorrect. The revised capital works funding programme indicates only $67·9 million for country water supplies, instead of the $80 million originally mentioned. This is compared with $74 million for last year. According to the Minister of Public Works, the amount provided for country sewerage authorities, and water trusts and salinity programmes has been decreased from $74 million to $67 million, an absolute decrease of $7 million. However, in real terms the decrease is something like $14 or $15 million. This will have a significant dislocative effect

on unemployment in country areas. Members of the Labor Party are most concerned about that.

To confirm these figures, I refer honorable members to the debate on a similar Bill in November last year. On that occasion, the Minister of Water Supply said, in introducing the Bill, that he was seeking authority in the 1978 Water Supply Works and Services Bill for expenditure of $68 million. The honorable gentleman said that the amount allocated for expenditure on works during the 1978–79 financial year was to be $38·242 million.

This year, in his second-reading speech, the Minister indicated that that amount would be reduced from $68 million to $55 million, that he was seeking an authority for $55 million for the whole year and that the expenditure for 1979–80 would be $32 million. It is important to point out that there is a distinction between the authority that the Minister seeks and the amount spent in the financial year, because the Bill provides allocations for the calendar year and not for the financial year.

There has been a significant reduction in the authorized expenditure from $68 million to $55 million. This figure has been confirmed by the Minister of Public Works in both the first draft of his document and the corrected document. Members of the Labor Party are most concerned that, in a time of high unemployment, when there are significant needs for country water supply facilities, when there are significant needs for improved sewerage facilities, when there are obvious needs for improved and increased spending on salinity because this State is rapidly changing from the garden State to the salt State, more funds should be spent on measures to overcome the salinity problems, particularly in north-eastern Victoria.

The problems exist also in north-western Victoria, but they are more difficult to overcome and no solutions are available.

As has been said on a number of occasions by the Labor Party, the problem of salinity has worsened, and to overcome it the Government should take greater initiatives than it has taken.

The Hon. V. T. Hauser—Can you see anything good in the Bill?

The Hon. D. R. WHITE—In response to the interjection, I point out that the first step in bringing about an improvement in the capital works programme of the State Rivers and Water Supply Commission and associated sewerage authorities and water trusts would be to have a competent Minister on the front bench. Because the first prerequisite of effective Government is not being met, there is a downgrading in the provision of services by his department, and it is confidently expected that that will continue, at least until the Minister is replaced. The most appropriate way of replacing the Minister is to replace the Government.

During the debate, I wish to mention some of the projects specified. The first is the Mitchell River dam. It is of grave concern to the Opposition that the Water Supply Works and Services Bill has proceeded without the Government, without the Minister and without Mr Hauser or any of his colleagues taking into account the statements made by the Treasurer during the Budget speech. At that time, the Treasurer clearly indicated that it was his intention to have an economic review committee examine the Mitchell River project with a view to endeavouring to effect some cost savings. The Treasurer was not prepared to go as far as members of the Labor Party would have liked him to go and ensure that a proper economic cost-benefit analysis was done to ascertain whether the project was worthwhile in the first place, but at least he was prepared to ascertain whether some cost savings could be made.

In the explanatory memorandum to this Bill in relation to the Mitchell River project, the following appears:

> Provision is made in this sub-item to enable the Commission to construct a dam of 15 000 megalitre capacity on the Mitchell River. The dam, estimated to cost $14 million, will provide reasonable security to the irrigated vegetable industry on the Mitchell River Flats.

The first point to note is that the authorized expenditure for this project, the proposed cost, has already escalated since September from $13·5 million to $14 million. It is clearly stated that the purpose of the dam is to provide reasonable security to the irrigated vegetable industry on the Mitchell River flats.

The PRESIDENT (the Hon. F. S. Grimwade)—Order! If the honorable member wishes to deal in some detail with a number of separate items in the Bill, the appropriate time to do that would be during the Committee stage of the Bill. I suggest that, during the second-reading debate, the honorable member deals in generalities and the whole effect of the Bill rather than specific items.

The Hon. D. R. WHITE—I thank you for your assistance, Mr President. I am merely drawing the attention of honorable members to the fact that, in respect to one of the items on which there has been a gross over-expenditure, attempts have not been made by the State Rivers and Water Supply Commission to liaise and co-ordinate its activities with the State Treasury with a view to reducing the cost of the project.

From any examination of the items mentioned in the Bill, it is clear that this is no more and no less than a collection of *ad hoc* items with no guaranteed plan by the Water Commission or the Minister to bring about an effective capital works programme by the commission. The Opposition believes the first major item specified in the Bill is unwarranted. It believes cost savings could be made in that item, but the Government has not seen fit to introduce proper cost savings methods. That indicates the haphazard way in which the Government has prepared the Bill.

The measure is an attempt to implement the Fraser economic policies, irrespective of the disastrous effects they will have on rural unemployment. More importantly, the measure has been prepared on an *ad hoc* basis and in an unco-ordinated fashion. There have been no attempts by the Minister to give a proper explanation.

The Hon. H. R. Ward—What about proving that?

The Hon. D. R. WHITE—I have just done that in connection with the Mitchell River dam. Mr Ward was not present. There has been no co-ordination with the Treasurer and no attempt by the Minister to explain the matter. There has been no attempt by the State Rivers and Water Supply Commission to put forward the details of the projects upon which money will be spent. The attention of honorable members is drawn irresistibly to the specific projects because there is no preamble and no attempt to outline the works programme or the intentions of the Minister over the next five or ten years in connection with the provision of country water supplies, sewerage or salinity programmes.

The Opposition believes there has been an unnecessary growth in water supply projects for irrigation purposes, such as the Mitchell River dam. The Minister and the Government should take note of what the Opposition and the National Party have been saying about the need to spend more money on salinity programmes, because salinity is on the increase.

The Hon. H. R. Ward—What do you think is the problem?

The Hon. D. R. WHITE—If the honorable member had been here during the debates on salinity, he would have been aware of the importance of the problem.

The Hon. H. R. Ward—I was here and I was not impressed one bit.

The Hon. D. R. WHITE—It is time Mr Ward did some homework and time he went for a trip to Kerang so that he could begin to understand the magnitude of the present salinity problem. It is certain that if Mr Ward is relying on his interjections he is proceeding in ignorance.

The Opposition is concerned that the Government has given no indication of what its priorities will be for the next five or ten years. Before any Government proceeds with any major works

programme it should indicate its intentions over the next five or ten years. I know the present Minister of Water Supply will not be here to see those intentions fulfilled, but he should have given an indication of those intentions.

As I indicated during an earlier debate, in Victoria large statutory authorities often proceed independently, as has been done in this case, in order to protect the Government of the day from crucial decisions, and make their own decisions. Those large statutory authorities are often revenue-raising authorities. They have small departments controlled by a Minister in order to protect the public from the Minister, who does nothing. The same situation applies with the Department of Minerals and Energy. The Ministers are "do-nothing" Ministers and, when crucial and controversial decisions are made, they are made by the Premier of the day. In this portfolio, the Premier of the day is the *de facto* Minister, not the Minister for the Bendigo races.

The Hon. Glyn Jenkins—That is not necessary.

The Hon. D. R. WHITE—The Minister, while he should have been doing his homework, was attending the Bendigo Cup. There is no evidence of any work having been done by the Minister of Water Supply in connection with the measure. The Government of the day is implementing the decisions of the Water Commission without any contribution from the Minister.

I am sure that the Attorney-General, who is interjecting, and who has spent many hours in Cabinet with the Minister of Water Supply, would know how little the Minister contributes there, as the Opposition is well aware. All honorable members know how little he contributes in the House. So long as the Government is prepared to carry Ministers of that kind, the Opposition will be happy to have such Ministers enter into elections. The Opposition perceives the failure of the Government to properly tackle salinity problems and the issue of the Board of Works rate increase as problems that can be dealt with in the same way as it was possible to deal with the Housing Commission land transactions and develop them into such an important issue in the last elections.

It is important to realize that the Bill reveals a significant decrease in the Government's capital works programme. That has gone unexplained. There has been no explanation from the Government about that, just as there has been no explanation of whether at the Premiers Conference in a few days' time the Government will make any attempt to bring about a rectification of the significant decrease in funds for capital works from the Federal Government.

It is obvious that the rural communities are bearing the brunt of the downturn in expenditure and that the Minister of Water Supply has not seen fit to take any action to protect rural people from the consequences of that downturn.

I shall be dealing with the Bill in more detail during the Committee stage. At present I merely indicate that the Opposition is extremely disappointed at the significant cutback in the Government's works programme. The Opposition looks forward to supporting any suggestion put forward by any honorable member in an attempt to correct this anomaly and rectify the shortcomings of the Bill, which will have disastrous consequences for the rural community.

The Hon. W. R. BAXTER (North Eastern Province)—The Bill distresses me a great deal. In fact, it makes me sad because it indicates once again the warped priorities of the Government, in that essential projects are being downgraded in favour of expenditure on political gimmickry. It also indicates that the Minister is an underachiever in Cabinet. It hurts me to say that about the honorable gentleman because he is, without doubt, the nicest member of this Parliament. However, in terms of getting results for his departments—in this case for water supply works and services and the position is similar with the State

forests works and services—the Minister is not getting the sorts of results that a strong man ought to be getting. He is obviously not being supported in the party room by members of the Liberal Party who represent country electorates. If he were, he would be able to procure a sufficient share of the Budget to provide adequate water supply services in country areas.

The Bill reveals that in 1978–79 the total expenditure on water supply works and services was $24·2 million, but this year the proposed expenditure is $21·6 million. That is a considerable drop in funds and, if one takes inflation into account, one realizes it is an even more dramatic decrease than it appears at first glance. For example, last year $2 million was allocated to water trusts, but this year the amount will be $1·2 million. That is a significant cutback in funds in anyone's language. Water is a basic necessity of life. Every township, every settlement throughout Victoria, needs a good and adequate water supply. Many of them are still waiting for that sort of supply. Last year funds were allocated but not spent and those funds have been allocated again this year. The Government is claiming credit for that, but the commitment was really made earlier.

In the province I represent the water trust at Nathalia is being given an infinitesimal amount of money for work in the developing township of Barmah. The shire secretary, who is also secretary to the waterworks trust, does not mince words and I know he has communicated with the Minister in the strongest terms, pointing out that the Government is again overlooking rural interests.

The Hon. E. H. Walker—Who is the shire secretary?

The Hon. W. R. BAXTER—Mr Dancocks, who has been the shire secretary for 27 or 28 years. The story in connection with sewerage is similarly sad. Last year $3·3 million was spent on sewerage and this year $2 million is proposed to be spent. In the province I represent three sewerage authorities have recently been constituted, at Chiltern, Yackandandah and Bright—all of which just happen to be in the electorate of Benambra.

The Hon. D. N. Saltmarsh—Are you criticizing them?

The Hon. W. R. BAXTER—I am not; I am simply saying that although I welcome the constitution of the authorities there appears to be no prospect of their being allocated funds in the foreseeable future, if this is to be the trend of allocations. It is essential that those three authorities and, I am sure, many others, should be funded.

In the view of the Government and, unfortunately, in the view of many people in the community, irrigation has become the poor relation. Mr White has strongly criticized the Mitchell River dam. I say to him and to the House that in ten years' time that will prove to be the cheapest structure ever built by the Government. If the people of Melbourne wish to continue to have access to plentiful and cheap food, which they have enjoyed for many years, it is essential that irrigation projects be sustained. Too few people who live in Melbourne realize the enormous production that comes from irrigation areas. The whole of the northern plains of Victoria are populated and are producing because they are supported and backed by irrigation. Without that their productive capacities and their ability to support a population would be reduced in large measure.

The Hon. E. H. Walker—They have been reduced anyway, by salination.

The Hon. W. R. BAXTER—Of course they have, and steps are necessary to overcome that. Those steps are being taken. One can argue about the speed of progress, but some progress is being made. Governments, farmers and the community in general have become much more aware of the problem recently. As Mr Elliot said many times when he was a member of this House, salination in his view—and I support his view—is the greatest crisis

facing us today. It is a pity that he is not here today to continue to put that view. He pointed out that through the generations there have been various crises and emergencies to contend with and in his view salinity is the crisis facing this generation. I do not propose to say anything more about salinity at present because there has been previous debate on that subject and it might arise again tomorrow, when I will be able to comment on it.

Unfortunately, we seem to have lost our vision. We are unable to appreciate what we ought to be doing to provide for future generations. We are unable to engage in and undertake public works to provide the basic necessities of our community.

A fortnight ago I attended a function at Tungamah. In the 1800s the pioneers of that area established a comprehensive water supply scheme across the northern plains from Casey weir on the Broken River near Benalla, a scheme which in those days would have been an engineering marvel. It was carried out 80 years ago with horse and dray, pick and shovel, and wheelbarrows, and it is operating today, albeit in a rundown condition because of lack of funds. Today we do not seem to be able to grasp those opportunities, to envisage what the future will require and to make proper provision for it. Mr Dunn indicates yet another example of the remarkable vision of our pioneers and ancestors in this State, namely, the Wimmera–Mallee channel.

The Hon. Glyn Jenkins—What about Dartmouth dam?

The Hon. W. R. BAXTER—Not for one moment do I overlook the Dartmouth dam. It is a remarkable engineering feat of this day and age. I know that the water storage in Dartmouth dam will be of tremendous benefit, not only to the State but to the nation as a whole. I was pleased to be honoured with an invitation for the opening of this dam. That will become an historic day in water supply and irrigation in Victoria. The Public Works Committee is currently undertaking an investigation into the extra waters available through Dartmouth dam, and when the committee makes a recommendation, it will be a considered opinion and a decision reached after the hearing of much evidence. I am sure the eventual use of that water will be for the benefit of Victoria.

The members of the National Party are disappointed with the trend that is obvious in water supply works and services in Victoria. We believe the Minister is simply not fighting hard enough for his department, that he is allowing his colleagues in Cabinet to override him in favour of expenditure on other projects, which might be desirable but not of the basic necessity of water supply. To give the Minister an opportunity to make amends and his colleagues on the back bench a chance to support him in the party room, I propose an amendment which will give the Minister an opportunity to reassess the situation and to bring back an improved Bill. I therefore move as an amendment:

> That all the words after "That" be omitted with the view of inserting in place thereof "the Bill be withdrawn so as to permit the Minister to reconsider the obviously inadequate allocation of funds therein and to have the Bill redrafted to provide sufficient funds for water supply works and services."

I believe the House ought to carry such an amendment which will give the Minister another chance.

The PRESIDENT (the Hon. F. S. Grimwade)—Honorable members will now be speaking on the amendment and the Bill.

The Hon. N. B. REID (Bendigo Province)—There are a number of items in this Bill which are of interest to me, and particularly to my electorate. I recently returned from a Commonwealth Parliamentary Association conference in New Zealand and I would like some of those magnificent waterways in New Zealand transferred to my electorate. There is an abundance of water there, and Australia suffers by comparison. We could well do with many of the streams and rivers that are in New Zealand.

I listened with great interest to Mr White. He made particular reference to sewerage authorities and the amount of money that was allocated to sewerage authorities during the year 1979-80. He completely omitted to refer to the private borrowing powers of sewerage authorities. The grants and advances this year are expected to form only portion of that borrowing capacity, and are expected to amount to $42·3 million.

The sewerage authorities have scope to make private borrowings and the Victorian Government has paid subsidies to sewerage authorities in respect of interest charges in excess of 3 per cent per annum. This will enable the sewerage authorities to cover extra projects. I agree that sewerage authorities need additional money. In my own electorate, new sewerage authorities have been constituted. Of particular interest to me are the shires of Waranga at Rushworth, and Stanhope. I would like to see them funded by the Government in the future. New sewerage works are being undertaken at Tongala, and this is an expensive exercise because of the nature of the country in which it is being undertaken. Problems have been experienced, but they have now been overcome and work is proceeding and the scheme will soon come into operation.

Mr Baxter said that my colleague, the Minister of Water Supply, was not getting support in the party room from his colleagues. I can assure Mr Baxter that the Minister has our undivided support in the party room. It is a pity that Mr Baxter is not able to see the country members of the Liberal Party in action, because we have a very large number of them. In fact, the Liberal Party has more members than the National Party representing country electorates, and they are vigorous in the party room.

I also listened with great interest to the comments of Mr Baxter about money not being spent, when he probably has one of the biggest projects in his own electorate. A total of $138 million has been expended on the Dartmouth dam. This will aid the salinity problems experienced in the River Murray. It will also affect Mr Wright's electorate. The Victorian Government made a substantial contribution to the Dartmouth dam project. I am sure that Mr Baxter's constituents, as well as mine in Echuca and surrounding areas, will benefit from the construction and operation of the Dartmouth dam which was recently opened by the Governor-General. It is a magnificent project and it will greatly benefit people throughout Victoria, and also South Australia.

I am pleased also that the Minister of Water Supply has sewerage works under construction in many areas around my electorate. There is the one I mentioned at Tongala, and another at Heathcote. Even though I do not represent that area, I know that Heathcote has been pressing for that scheme and it is proceeding. Mr Chamberlain interjects, "Who lives there?" I know they have an active local member living there.

The salinity problem was also mentioned by Mr White. I hope he has visited the Kerang research station where interesting experimental work is being carried out. Mr Gyn Jones who is in charge of the station, is doing fine research into new types of grasses which will grow in salinity-affected country and will renew and reconstitute the land.

There are a couple of matters which the Victorian Government, with Commonwealth Government assistance, needs to tackle. One is reforestation of many areas of land in Victoria, and the other is greater emphasis on the development of some of these grasses which can exist on saline-type land. There is a need for further research and further allocations towards these projects. I shall make further comments during the Committee stage.

The Hon. R. A. MACKENZIE (Geelong Province)—I wish to make a few brief comments, both on the Bill and on the amendment. First, I take up the point made by my colleague, Mr White, in regard to the inability of water trusts and sewerage trusts to effectively plan. That is a complaint

made to me on quite a few occasions when visiting authorities. It is almost impossible for these trusts to have a long-term plan for their major works because they do not know from one year to the next what funds are to be allocated by the Government.

In making this constructive criticism to the Minister I ask the honorable gentleman to look into this aspect of long-term planning—five to ten years as Mr White mentioned—because authorities have to be able to plan for projects that are coming up and industries that are being proposed and the ways to develop in a particular area. It is important that some indication come from the Government—even if it is that they are to receive a minimum amount in five years. Many authorities would be pleased to receive this information and it would enable them to improve in the way in which they develop their works.

I find the priorities of the Bill hard to understand. For that reason, the Opposition supports the amendment moved by the National Party which asks that this Bill be withdrawn and redrafted and that the Minister take another look at it and rearrange the priorities.

Members of the Opposition disagree with the National Party on the Mitchell dam. We think a $13·5 million—as my colleague said it has risen now to $14 million—expenditure of public money to assist 99 farmers is out of proportion. The Opposition believes the Government is wrong in allocating such a large proportion of funds to that project.

There is also a disproportion in the funds allocated between the two peninsulas, namely, the Bellarine Peninsula, which is in my electorate, and the other side of the bay, the Mornington Peninsula. The Mornington system has an allocation this financial year of $5·296 million while in the poor Geelong Province, the Bellarine system has been allocated $785 000. The proposed provision in the Bill covers up to $8 million for the Mornington system and $1 million for the Bellarine system. That area has been a bone of contention on the Bellarine Peninsula for some time because ratepayers have encountered a lot of trouble in obtaining an adequate water supply. The difficulty arises because it is a fast-developing area.

In the past eleven years, the residents of the Bellarine Peninsula have endured water restrictions during nine of those eleven years. In that period, residents on the Mornington Peninsula have suffered on only one or two occasions. If it is a case of allocating funds for urgent projects, obviously the Bellarine Peninsula has an urgent need. That is another area to which the Minister of Water Supply could reallocate funds.

The Labor Party is concerned about an allocation of $2 million for river improvement works, many of which are of doubtful value. Honorable members have witnessed the tremendous amount of damage caused by river improvement works, especially on the Glenelg River which created devastation. River improvement schemes should be closely examined. The Labor Party does not support the allocation of $2 million for river improvement schemes. It is an example of where the Government's priorities have gone astray.

The Labor Party supports the amendment. During the Committee stage, I will refer to certain minor aspects of the Bill.

The House divided on the question that the words proposed by Mr Baxter to be omitted stand part of the motion (the Hon F. S. Grimwade in the chair).

Ayes	22
Noes	16
Majority against the amendment	6

AYES

Mrs Baylor	Mr Hunt
Mr Bubb	Mr Jenkins
Mr Campbell	Mr Knowles
Mr Chamberlain	Mr Lawson
Mr Crozier	Mr Radford
Dr Foley	Mr Stacey
Mr Granter	Mr Storey
Mr Guest	Mr Ward
Mr Hamilton	
Mr Hauser	*Tellers:*
Mr Haywood	Mr Reid
Dr Howard	Mr Saltmarsh

NOES

Mr Baxter	Mr Sgro
Mr Butler	Mr Trayling
Mrs Coxsedge	Mr Walker
Mr Dunn	Mr Walton
Mr Eddy	Mr White
Mr Kennedy	
Mr Kent	*Tellers:*
Mr Landeryou	Mr Thomas
Mr Mackenzie	Mr Wright

The motion was agreed to.

The Bill was read a second time and committed.

Clause 1 was agreed to.

Clause 2 (Issue and application of money from Works and Services Account for purposes specified in the Tables to the sections)

The Hon. F. J. GRANTER (Minister of Water Supply)—I do not know whether to thank those members who have participated in the second-reading debate. I thank some members and accept some of the other criticisms that were offered.

All Ministers would like more money for their departments. I would especially like more money for water supply, sewerage and salinity and any item which affects a country municipality.

Mr White directed some personal criticism against me. Members of Parliament are entitled to criticize. I could make some criticisms about Mr White but I shall not, because that is not my wont. However, if Mr White's criticisms came from other members of the Labor Party, I would be worried.

The Hon. D. E. Kent—You are asking for something now.

The Hon. F. J. GRANTER—If one takes it, at times one has to give a little in return. Mr White mentioned the Mitchell River dam and the cost of $14 million. Mr White does not realize that the dam is for use not just today; that it will serve the community in 100 or 200 years' time. The dam has been constructed for irrigation and also for the recharging of aquifers, town water supplies, river freshening and recreation.

If one goes back in history and examines Lake Eildon and Lake Eppalock, those wonderful storages would never have been built if these negative arguments had had an effect.

The dairying industry in northern Victoria and factories such as the Nestle Co. (Aust) Ltd and the Murray Goulburn Co-op Co. Ltd factories and many others depend upon irrigation. If it were not for the support of these irrigation projects from Lake Eppalock and Lake Eildon, the factories and the employment they generate in northern Victoria would not exist.

Lake Eildon and Lake Eppalock were built following recommendations from the Public Works Committee. However, as the Treasurer stated in the Budget speech, the Mitchell River dam will be investigated to determine if some economies can be effected. I am sure the Treasurer's offer will be undertaken.

Neither of the speakers who criticized the Bill explained from where the extra funds would be derived. Supposedly those funds would be derived from the Government. Should those funds be taken from education, health or roads? From where do we raise the extra funds?

The Hon. D. R. White—It is the Liberal Party that is in power in the Federal sphere, so the Government should be able to get a good deal from it under its new federalism policies.

The Hon. F. J. GRANTER—Mr White makes a good comment, because Victoria should get a better deal from the Federal Government. I said that at a Ministerial conference the other day when referring to the national sewerage programme, but the only Minister who supported me was the Minister from Western Australia.

The Hon. W. R. Baxter—What was his name?

The Hon. F. J. GRANTER—I cannot remember his name but he is the West Australian Minister. He is a new Minister and I had not previously met him. However, there is a lack of funds for Victoria.

The Hon. D. R. White—But the Government endorsed the Federal programme; that is what the Opposition is saying.

The Hon. F. J. GRANTER—The Government did not endorse the Federal programme.

The CHAIRMAN (the Hon. W. M. Campbell)—Order! Mr White made his contribution before and is now trying to make it again every 30 seconds. Once the Minister has resumed his seat, Mr White will be able to speak on the tables coming under clauses 2, 3 and 4, but not otherwise.

The Hon. F. J. GRANTER—With respect to the funding of sewerage authorities mentioned by Mr Reid, there is provision for $24·257 million which is made up of private loans with interest charges subsidized by the Government to the extent of 3 per cent per annum, plus a works and services grant of $2·3 million.

Although all honorable members know that there is a cutback in funds, I reiterate that I would like to see all country towns sewered by a certain date. Those dates which have been set have not been met and I am the first to admit it. I hope that eventually all towns in Victoria of a reasonable size will have a sewerage system.

Mr Baxter has mentioned areas in his province, such as Chiltern, Bright and Yackandandah, but there are many other towns throughout the State, such as Broadford, Daylesford, Gisborne and others which need sewerage.

The Hon. W. R. Baxter—Murchison is another one.

The Hon. F. J. GRANTER—That is so. I only hope this takes place as soon as possible and as soon as funds will permit.

Mr Mackenzie mentioned long-term planning of projects by water and sewerage authorities. I have information from the Water Commission advising me of applications made by authorities for funds for specific projects. Forward planning is taking place and the Water Commission knows of the projects which the authorities wish to undertake. If the projects are viable and the Water Commission is of the view that they should proceed, they will proceed when funds are available.

The Hon. R. A. Mackenzie—Are they notified when funds will definitely be available for a project?

The Hon. F. J. GRANTER—No, the authorities are not notified that funds will be available at a particular time, other than for those projects which have already commenced. If a project has commenced in the province represented by Mr Mackenzie, the Water Commission will proceed with it until it is completed. Most of the large magnitude projects undertaken by the Water Commission are completed within three years. In the first and second years most of the work is carried out and in the third year it tapers off a bit. It is not always possible to do it that way.

Recently Mr Mackenzie asked about a scheme at Airey's Inlet. I made a mistake and Mr Mackenzie confirmed it to me, but it is a lack of finance that has affected the Airey's Inlet scheme. The scheme is in its third year of construction but a shortage of funds will not permit it to be completed this year. The storage has been completed and the pipeline has been laid and this leaves the construction of the service basin and the laying of the reticulation pipes. I hope that project can be completed the following year.

Turning to the question of salinity, this is something which is very dear to the heart of every honorable member. Honorable members realize the problem of salinity in Victoria, especially in northern Victoria, where it is serious. I have stated that it is the greatest problem facing this State, especially in the farming areas. However, salinity has been with us for almost 80 years and we cannot cure it overnight.

The Victorian Government has taken up all the funds allocated by the Commonwealth Government. I stated during the recent salinity debate that the report of Maunsell and Partners Pty Ltd would be produced by the end of November. It has not come to light so far as I am concerned, but I understand the Public Works Committee has examined the technical side of it and no doubt is assessing the contents in

making its judgment. As soon as the report is available I will make it available to honorable members.

Although it may appear that the State is proceeding slowly in dealing with salinity, it is taking positive steps. It may be a number of years before the Government makes a noticeable impact, but I am sure that within a few years a considerable amount of salt will be taken from the River Murray.

Mr Mackenzie made some comments on river improvement works. I agree with Mr Mackenzie that in past years some river improvement trusts have made errors which have not been to the advantage of the river. Mr Mackenzie may not know that there is now a consultative committee which reports on all river improvement projects. The committee comprises officers from the Soil Conservation Authority, the Fisheries and Wildlife Division, the Water Commission and other authorities. I hope the errors of the past will not occur again but before I approve of any scheme I examine the reports received from the Soil Conservation Authority and the Fisheries and Wildlife Division. I hope Mr Mackenzie appreciates the system which now operates in this area.

I may have been a little upset initially and I apologize to the Committee if any honorable member took offence. I have said in the past and I repeat it now, that Victoria should be able to obtain more funds from the Federal Government, but that avenue seems to be blocked at present and it is not popular to increase rates and so on. If the community wants the Government to complete all these projects, I do not know of any other avenues for raising the necessary finance.

The clause was agreed to, as was clause 3.

Clause 4 (State Works)

The Hon. W. R. BAXTER (North Eastern Province)—I propose, firstly, to refer to item 1 of the table—State Works—Storages and Headworks.

Tonight honorable members have heard some criticism of the Mitchell River dam, but that criticism was well answered by the Minister of Water Supply. I have commented on the Mitchell River dam and I reiterate that I am a strong supporter of that project and believe it should proceed forthwith.

Now that the Dartmouth dam project is virtually completed and construction of the Mitchell River dam has been given the go-ahead, it would be in the interests of the State to commence investigations for another water storage project in Victoria. I do not believe, as some people do, that we have gone so far as we can or should go in the provision of water storages. Water is our greatest, most productive and valuable asset and the Government should proceed with the task of conserving additional supplies in this, the driest continent on earth today.

I wish to promote the Buckland River dam proposal as being worthy of consideration as the next major water supply project in Victoria.

The Ovens River, which flows through one of the most productive and beautiful areas of Victoria, is obviously overcommitted. That has become clear from answers to questions I have put on notice recently and from comments frequently made to me by water users in the area. Basically it has become overcommitted through a growth in population in the townships of Bright and Myrtleford.

The development in those two towns is commendable. Bright, in particular, has developed through the tourist industry, but it has no water storage capacity of its own and this has been brought to light in recent years. Bright draws its water supply directly from the Ovens River from which water is pumped into a fairly small holding basin. During the summer months the draw on water at Bright is quite high and with the pumps operating there is very little water flowing past the town. Consequently, the irrigators downstream from Bright, who rely on the

river for the viability of their properties, find it difficult to pump adequate water, notwithstanding that they hold licences or permits to pump water from the Ovens River. Under the terms of their licences, landholders are supposed to be able to draw a certain amount of water but that has not always been possible.

The provision of a dam on the Buckland River would assure a water supply for those farmers who are presently disadvantaged. It would also be of assistance to those living farther down the Ovens River by supplying water to other towns, such as the City of Wangaratta.

Now that the Dartmouth dam project is completed and the Mitchell River dam is under way, I hope the Buckland River dam comes to the fore as the next major water supply project in Victoria.

Sub-item 1 of item 2 in the table refers to irrigation districts. Earlier, I referred to the need to maintain those districts in good order to sustain the productivity of our irrigation areas. In the explanatory notes on the table, under this sub-item there appears this comment:

> An amount of $0·42 million will be expended in 1979–80 to commence the Mineral Reserve Basins Scheme, estimated to cost up to $3·3 million. The Scheme involves construction of a pumping station at Lake Tutchewop, and pipeline and channel to evaporative basins and will reduce salt inflow to the River Murray by the Loddon River.

When the Bill was circulated, that note caused a good deal of consternation, particularly in the area adjacent to the mineral reserve because the Public Works Committee is currently investigating that scheme and has not yet made its report. A number of people telephoned me in quite a state of agitation because they assumed that the Bill would pre-empt or override any decision made by the Public Works Committee, and that a decision had been made for the work to proceed.

I was able to placate these people and point out that if the committee recommended against proceeding with a mineral reserve basins scheme, presumably this allocation would not then be used. Although I commend the Government for having the foresight to make provision in case of a favourable recommendation by the committee, it would have been wise if there had been some publicity of the fact that the mere allocation did not indicate a go-ahead for the scheme, because many people who are most concerned about the mineral reserve scheme got quite a start when they read about that allocation.

I do not want to pre-empt what the committee may decide, but at this stage there are absolutely no grounds for believing that the committee will in fact recommend in favour of the scheme. The committee has a long way to go before it makes a decision. That is not to suggest that the committee is procrastinating. I do not believe it is. It is closely studying all the evidence put before it. It is calling for additional information and a decision will be made as soon as the committee is competent to do so, and when it is certain it has had resort to all the facts.

The final matter I want to raise concerns item No. 2, sub-item No. 12—Flood Plain Management. An amount of $750 000 is mentioned. This is a most valuable innovation. It is a new sub-item. A lot of the funds to be spent are coming from the Federal Government. Although honorable members spend a lot of time accusing the Federal Government of being parsimonious, bearing in mind that on this occasion the Federal Government is providing $630 000 it can hardly be construed to be parsimonious. The Victorian Government has been a little slow in taking up the offer of the Commonwealth Government to share in the $200 million allocated over five years for water services, but I am pleased on this occasion that funds have been applied for and allocated. I am most gratified that Nathalia has been given a priority in this case.

I received a letter from the Minister on 28 November in response to my representations of 23 May and 9 November on this matter. I commend the Minister for setting out the proposal for the Shire of Nathalia in which the capital cost will be shared on a

three-way basis—40 per cent by the Commonwealth, 40 per cent by the State and 20 per cent by the shire. Honorable members may be aware that Nathalia is situated on the lower region of Broken Creek in very flat country. Broken Creek draws its initial supply from the Broken River near Benalla and enters the River Murray in the western part of Nathalia near Barmah.

In 1973 and 1974 when floods were experienced in the town, I happened to be the shire president and at the time I had a great deal of tribulation. Fortunately, due to an enormous amount of voluntary work by people, not only from the local town and district but from as far away as Shepparton, Cobram and Yarrawonga, the town was saved and not much damage was done. Subsequently the Minister came to the town and viewed the situation and considered various proposals. A great deal of work has been done by his officers and I thank them for their work. I am confident that the scheme will now proceed and to a large extent it will have saved the citizens of the district and will protect the town from future floods whenever they might occur. There is still some local objection to be overcome from farmers who consider the works may push additional water on to them, but I believe those problems can be overcome in the near future. I am extremely pleased that that work is getting underway and that the Minister has seen fit to accord Nathalia a high priority in the work.

I also want to say that the work being carried out on the Goulburn River in the lower part of the shire at Hancocks Creek, Wakiti Creek and Deep Creek is valuable. I regret that certain typographical errors in the commission's offices have led to some dispute between the shire and the commission on when the work will be done. However, I understand the work has commenced and should be completed within the next twelve months. That will prevent the Goulburn River from changing its course in a future flood. The people who are of the opinion that the work being done will be for the benefit of a small number of farmers should take note that if nothing was done there, the Goulburn River would change its course at the next major flood with dire consequences for thousands of people, not the least being the whole population of the City of Echuca.

I hope the Government is prepared to continue its water storage programme and look favourably at the Buckland River dam. I look forward to the flood protection works being carried out, as indicated in item 2.

The Hon. D. R. WHITE (Doutta Galla Province)—The major expenditure in the Bill as outlined in clause 4 totals $36·2 million of an authorized total of $55 million. I make a general observation on the items in clause 4 apropros of the Minister's remarks, because what else can we do apart from going to the Federal Government. I wish to make the point that members of the Opposition and of the National Party have been making, that there has been a significant diminution in the amount of funds provided for water supply works and services since last year. The question is what has happened to those funds.

The CHAIRMAN (the Hon. W. M. Campbell)—Order! It appears to me that Mr White is venturing on a second-reading speech and not speaking specifically to the item in clause 4.

The Hon. D. R. WHITE—I am speaking specifically to clause 4. Specified in clause 4 is the grand total for State Works of $36·2 million. Before proceeding with the Mitchell River dam, I merely make an observation: Why was the Minister unable to protect the water supply works and services expenditure of last year and prevent it from decreasing by such a substantial amount? Further to that point, when we come to item 1, sub-item 1, Mitchell River Project, we are looking at an expenditure of $14 million. The Minister justified that on the grounds that the expenditure will be used not only for the farmers and inevitably into the future, but also for the town water supply services. I draw attention to the fact that the Minister has omitted to mention that matter in talking about the purposes of the Mitchell River

project. In other words, it is not clear from the Bill that it will benefit town water supply services.

In the context of looking at the total Budget and priorities, if there has been a decrease and the decrease in the total amount made available in the Water Supply Works and Services Bill is attributed partially if not wholly to the failure of the Minister to defend the interests of his portfolio and also to the fact that when there is an austerity programme it is necessary to have a system of priorities, by any criteria the first priority should not be the Mitchell River project. More urgent works should be undertaken.

The Hon. N. F. Stacey—What, for example?

The Hon. D. R. WHITE—I will come to that if Mr Stacey is prepared to listen. Before the Mitchell River project was undertaken, a proper cost benefit analysis should have been undertaken and if it could have been demonstrated that much the same work could have been undertaken, particularly so far as the farmers are concerned, for $200 000, surely during a period of austerity that proposal should have been taken up. We regret that the Government has failed to do that. Not only has it failed to do that, but it has also failed to look at the alternative.

The Hon. N. F. Stacey—You are sure of that, are you?

The Hon. D. R. WHITE—The Government has failed to look at the alternative. There is no evidence of any document being produced by the State Government which looked seriously at a cost benefit analysis and which has become a public document. In the absence of that document, I maintain that the Opposition can say categorically that the Government is not prepared to act.

The Hon. N. F. Stacey—Since you have not seen it, it does not exist.

The Hon. D. R. WHITE—For the benefit of the honorable member, if a proper cost analysis existed, there would be no need for the Treasurer to have said in his Budget speech that he was about to undertake a cost savings project. In other words, if a cost benefits study had been done, it would have existed. There would be no need for the Treasurer to announce that he was about to embark on something knowing that the information existed elsewhere. Therefore, on the Government's own evidence, and if Mr Stacey read the Budget Papers and this Bill, he would know that no such study has been undertaken.

Honorable members are seeing the unnecessary expenditure of a large sum of money during a period of austerity by a Minister who could not care less, and he wonders why he is attacked. We are looking for some form of Ministerial responsibility. The Minister only wants people, back-bench members and the Opposition to feel sorry for him. What happens is that the rest of the State has to suffer the consequences of his failure to administer his portfolio properly and account for the fact that there has been a significant decrease in funds. He cannot account for why that has occurred.

I turn to item 2, sub-item 1—Irrigation Districts, (*a*) Drainage and Salinity Works. I point out that, firstly, the Government has failed to prepare any programme for overcoming salinity. Secondly, during the time the Minister has been the Minister the problem has deteriorated. I quote from sub-item 1:

> The combined effect of irrigation and past heavy rainfall, particularly in the Shepparton region, has led to a dramatic rise in water tables causing drainage and salinity problems with very serious consequences to fruitgrowers.

Salinity is not confined to the Shepparton region. It is also in the Kerang area and there is increased salinity in the River Murray. Senator Jessop stated that Victoria has become not the garden State but the salt State and the major State responsible for increased salinity in the Murray. It is a result of a dereliction of duty by the Minister. If the Minister had any priorities, he would have cut back on the Mitchell River project and done more about the salinity programme. He does not want anything more done on the salinity works or anything altered on the Mitchell River project.

He only wants the people of Victoria and the representatives in the House to feel sorry for him. We will feel sorry for him when he is out of this place. As I said about Mr Dickie, I felt nothing personal against him but it was for the benefit of the State that he went. No honorable member has said anything in Mr Dickie's favour since he has gone. No one will feel sorry when this Minister has gone.

I refer to item 2, sub-item 3—Mornington System. It is disclosed that $8 million will be spent on the Mornington system from Cardinia reservoir. Mr Mackenzie raised interesting observations about the Mornington system relative to the Bellarine system. It is interesting that Mr Jenkins was not here to assist the honorable member in putting forward that argument. We wish to draw attention to the fact that the major issue in the provision of funds for the Mornington system is not spelt out. It is another error of omission, another dereliction of duty. The major issue is that the ratepayers of the Board of Works are contributing substantially to the improvement in the Mornington system water supply over and above the amount specified here. The Minister said nothing in the course of his speech of how the Board of Works ratepayers will be reimbursed in any way by the State Rivers and Water Supply Commission and/or the State Treasury for their contributions to the provision of the Cardinia dam. Item 2, sub-item 4 refers to the Bellarine system. There have been water restrictions for nine years out of eleven in the Bellarine Peninsula. There is no statement, preamble or indication by the Government of the magnitude of that problem.

I refer specifically to a number of other matters in other clauses.

As I have on other occasions, I draw the attention of the House to the fact that when issues of a substantial nature are raised in this House by the Opposition about matters of philosophy, policy or practice, on every occasion the Minister fails to handle the issues that are raised. The Minister has said to the House, "By what means are we going to find additional funds?" In the context of an austerity programme he says more should be spent on the Mitchell River dam. Each department is fighting to maintain funds but he fails to explain how the Water Commission has had to experience such a significant deterioration in its capital works programme. He fails to explain why the salinity programme has been given so little emphasis despite the work done by the permanent head. There are other issues, which the Opposition will mention during the debate on this matter.

The Hon. N. F. Stacey—You said you didn't want the Mitchell River dam but you did not say what else you want. You have got away from the point.

The Hon. D. R. WHITE—For the benefit of the Committee, it is appropriate that Mr Stacey be seated where he is.

The CHAIRMAN (the Hon. W. M. Campbell)—What part of the clause are you speaking to?

The Hon. D. R. WHITE—Item 2, sub-item 1.

The CHAIRMAN—I ask you to return to clause 4, item 2, sub-item 1, Drainage and Salinity Works.

The Hon. D. R. WHITE—In respect of drainage and salinity works, the Opposition has maintained that increased priority should be given to salinity programmes. I have already said that twice.

The CHAIRMAN—On that very point, it is becoming too repetitious and tedious.

The Hon. D. R. WHITE—The only reason I mentioned it a third time was because of the inability of Mr Stacey to take it in on the first two occasions.

The CHAIRMAN—As you have mentioned it three times, that is enough, and naturally you will not need to say it again.

The Hon. D. R. WHITE—I hope Mr Stacey has taken note of what you have had to say, Mr Chairman.

The CHAIRMAN—I hope you have also.

The Hon. D. R. WHITE—It is important to realize what the community needs. The area of management in the

public sector is some indication of the Government's intention, what policy the Government has during its term of office, and that it has a programme beyond a year ahead. There is no point in examining fiscal management for only one or two years. A list of specific projects is needed with adequate explanation of Government policies and intentions. There is an abject failure on the part of the Minister to respond to the major points raised.

The Hon. K. I. WRIGHT (North Western Province)—I refer to several points on drainage and salinity works. Mr Baxter referred to the allocation of $420 000 to commence the mineral reserve basins scheme at Lake Charm near Kerang. The Minister will recall that, on several occasions, I have made strong representations to him that a considerable body of opinion in the area is antagonistic to this step being taken. It is realized that salinity is worse in the Kerang–Lake Charm area than in any other part of Victoria. One has to seriously consider whether one is solving the problem by taking it from one's front door and placing it at another's back door. I would like to hear from the Minister whether the allocation is conditional on the Public Works Committee reaching a certain conclusion.

I now refer to the allocation of $150 000 for urban water treatment works at Red Cliffs. The Minister has stated that towns along the River Murray have the greatest problem with an impure water supply. The situation in the far north-west of the State is being overcome by dealing with Merbein, Red Cliffs and Robinvale in that order. The Merbein situation is almost completed and the Minister has agreed to visit the area in February to perform the official opening. Red Cliffs has now received an allocation of funds, but I urge the Minister to do his utmost to obtain additional funds so that the Robinvale scheme can commence as there is unrest in that area because of the very poor quality of the water. At the rate these allocations are being made, I imagine it will be three or four years before the Robinvale water supply scheme will begin.

The next item is that works will be continued on the replacement of open channels in the Mallee irrigation district with a pipeline. I am disappointed that the Government intends to spend only $440 000 on these works in 1979-80. I recently submitted to the Minister that he should put to the National Water Resources Programme—the Commonwealth Government and the other partners to that agreement—the completion of the pipeline system in the Mildura, Merbein and Red Cliffs areas. Just under $7 million is required and the cost benefits will be immense. It is probably one of the most beneficial works that can be carried out on the elimination of salinity. The Water Commission decided that one district should be dealt with at a time. I understand that the Nyah scheme is completed. I would appreciate it if the Minister could inform the Committee on what area this $440 000 will be spent. I imagine it will be either Red Cliffs or Merbein. I will be disappointed if it is not either. The First Mildura Irrigation Trust and the Australian Dried Fruits Association have strongly supported my suggestion to the Minister and I hope that will weigh with him in the recommendations he makes. All these things are useless if the other States do not play a part.

It is disappointing to see New South Wales continue a policy of allocating more water licences on the Darling River. Victoria lodged a protest. It is pleasing to note that the New South Wales Minister has announced that no more water rights will be issued between the Meningie Lakes and the River Murray for the time being. I hope that the Minister can prevent the issue of further licences north-west of the Meningie Lakes also.

Another item refers to waterworks districts generally in the extensive Wimmera-Mallee system. On a number of occasions, the National Party has advocated that the whole system should be put on pipeline because there is a considerable saving in seepage and evaporation—no less than a 90 per cent saving. I was disappointed in previous discussions with the State Rivers and Water Supply Commission that it appears that no proper plans and estimates

have yet been drawn up for the scheme. One would imagine the scheme would be so important and basic to Victoria that the Water Commission would have got to work on it.

Much is said about unemployment. No doubt a number of people are unemployed in this profession and, if the Minister does not have the necessary staff to do the job, an additional workforce could be employed drawing up plans and estimates. I would be interested to know how far this project has gone. Clearing out the dirt channels each year is an expensive operation and it would be better in the long run to spend the money on the completion of the pipeline in the Wimmera-Murray area. I am sure Mr Dunn will agree with that proposition.

The item on flood plain management refers to priority areas and to Kerang and Nhill. I have already said that Kerang is the worst affected area in the State. Nhill is an area which is peculiar geographically because it is situated in the basin of a saucepan. In the old days, when town sites were chosen, settlers chose a point at which water supply was more readily accessible. Nowadays it means that if there is flooding the town is flooded first. This was a major problem because, during two or three wet years, the water level of the lake rose and some private properties were inundated. Fortunately it has been dry and the lake has gone down. I will be interested to hear what steps the Water Commission and the Minister are taking to obviate the problem.

The Hon. H. R. WARD (South Eastern Province)—I wish to briefly discuss some items and to make some general comments on clause 4, particularly on the expenditure of money. The Bill is not an explanatory document in the sense that has been expected by some honorable members. Apparently Mr White, who is well versed in many matters, particularly money, has never seen this document. I recommend it to him as interesting reading. It criticizes the financial allocations, youth employment schemes, the amounts of money available and so on. It is the Annual Report of the State Rivers and Water Supply Commission and relates to all of these items.

The CHAIRMAN (the Hon. W. M. Campbell)—Mr Ward, can you tell us the title of the document.

The Hon. H. R. WARD—The title of the document is the State Rivers and Water Supply Commission of Victoria, Annual Report, vol. 2, 1977–78.

The other matter is the over-all criticisms that have been made on a number of these items in vol. 1, which is also available to the Labor Party. The national syndrome of the Opposition is a failure to comprehend.

The Hon. D. R. WHITE (Doutta Galla Province)—On a point of order, I would be grateful if the honorable member would read not only the title of the report but the year of the report.

The Hon. H. R. WARD (South Eastern Province)—It is 1977–78. I had to go back a couple of years to research the general criticism.

The Hon. D. R. WHITE (Doutta Galla Province)—On a point of order, I would be grateful if the honorable member could relate the 1977–78 report of the State Rivers and Water Supply Commission to the Water Supply Works and Services Bill, clause 4, programme for 1979–80.

The CHAIRMAN (the Hon. W. M. Campbell)—I do not uphold the point of order. On hearing Mr White's speech on clause 4, I asked if he was going to proceed with a second-reading speech and he said he was talking about the total expenditure listed at the bottom of page 3 of the Bill, which is $36·2 million.

I believe Mr Ward is doing precisely the same thing. At the moment he is trying to substantiate what he is going to say. This is how I see the position.

The Hon. H. R. WARD (South Eastern Province)—I apologize, Mr Chairman; I did not hear a word you said and I am afraid that other honorable members in this part of the Chamber could not hear you, either.

The CHAIRMAN—When Mr White was speaking on clause 4, I indicated to him that it appeared that he was entering upon a second-reading

speech. I pointed out that he was speaking to the grand total of expenditure, which is $36·2 million. I said I felt that you, Mr Ward, were doing the same, and that you were initially using the report to substantiate further comments you may make. I said that that was my interpretation at present.

The Hon. H. R. WARD—Thank you, Mr Chairman. The background of the information which leads to the comments shows the progress that has been made. The 1977–78 annual report of the State Rivers and Water Supply Commission is the basis of a cost-benefit analysis that was the subject of constant banter from the Opposition along the lines that if a person were dying of thirst, he could not have a glass of water until a cost-benefit analysis was made. That was the subject of the report.

The Mitchell River project, is dealt with at page 10 of the report where answers to the very questions that were being asked are set out. The report gives the reason why the Mitchell River dam project was established. Mr White has not read the report, so I wish to quote it as it relates to the sub-item. At page 10 the report states, *inter alia*:

> The storage will enable private irrigation on the Mitchell River flats, under licence, to be extended to all irrigable lands on the flats. It will also provide a reserve for future urban and industrial development in the region, and ensure that a river-freshening flow is maintained past Bairnsdale.

The objectives are set out quite clearly, yet we have to put up with abuse from the Opposition and attacks being made on the Minister because Mr White has not read the reports and has established himself as an instant expert. That is typical of the scurrilous attacks that the House has to put up with. It is also characteristic of Mr Walker's attributes, which I will refer to later with particular reference to what he did in Leongatha.

The next item refers to the Lang Lang River works. I commend the Minister and the State Rivers and Water Supply Commission for the work they are undertaking in an extremely difficult area. The banks of the Lang Lang River could erode at any time with the slightest pressure from cattle or traffic. The work that is being carried out there will probably cost between $80 000 and $150 000. Because of the difficulties, it is impossible to spend $1 million there in one hit. No doubt the Labor Party would think it possible to expend that amount immediately.

At pages 10 and 11 of the report to which I refer, specific reference is made to this project and the work that has been done and is likely to be carried out. The proposed programme is set down. As predicted in the report, the expenditure on salinity control and drainage has reached $4 million. I commend the Minister for his efforts in obtaining the money for that purpose. The Opposition does not know anything about this matter, but it is set out in the report, and that is what has been done. The proposal was examined by an all-party committee which has submitted several reports. Mr White tried to dodge the issue and made typically deliberate misrepresentations, as he will continue to do, but I draw his attention to the report.

I also refer to productivity, which is related to the comments that have been made on irrigation. Unfortunately, last year's report of the State Rivers and Water Supply Commission is not available, but the report to which I have been referring shows the value of irrigation. In 1975–76, the value of production in those areas was $220 million. It increased to $250 million in the following year and has continued to increase. These are the results of the activities that are being carried out under the direction of the Minister of Water Supply and the commissioners of the State Rivers and Water Supply Commission.

The report deals with every aspect that is brought forward in the Bill; it provides background information. The Bill is not meant to contain explanatory notes on every item; if it did there would be volumes of explanations. The reports are available in the Library; they provide the background to the Bill and explain why the projects have been established.

I draw attention to some other matters, particularly the work that has been carried out on investigations designed to improve the supply of water to the South Gippsland area. This is part of the research programme referred to in the Bill. I draw the Minister's attention to work and research that has been carried out and to the need to provide water for the West Gippsland farming areas which have been making representations for so long and waiting for a report from the Public Works Committee to assist the Water Commission to decide the best way of supplying water to the region. I commend the Minister and the Water Commission on that work.

I cannot obtain everything I want from the Water Commission, but at least the officers are there and I can put my demands before them and will receive a sensible answer which has been worked out. They supply the cost-benefit analysis and all the figures I need, contrary to what was said by members of the Opposition, who are here solely to misrepresent the facts and to discredit the Water Commission, which has done a marvellous job in supplying water to the country areas of the State.

The Hon. E. H. WALKER (Melbourne Province)—I shall endeavour to remain cool, speak of facts and be brief and not try to upset the Minister or Mr Ward.

I refer to the Mitchell River project, and I shall take time to canvass a few different issues on that project, which I consider to be a difficult and, so far as economics go, a disastrous project.

The Hon. H. R. Ward—Why don't you tell us about Leongatha?

The Hon. E. H. WALKER—I will do so later; I have agreed with the Minister to do so and I shall be interested to receive an apology from Mr Ward when he is proved to be wrong.

The project is stated to be a $14 million project; it is basically a drought insurance project which will benefit, at the moment, some 99 farmers in that valley. The cost of the dam will be met by moneys raised from taxpayers. If one divides the number of farmers into the amount to be spent on the project, one comes to an amount of $140 000 per farm being spent on the dam, which I imagine is probably more than some of the farms are worth.

As honorable members would probably be aware, the Mines Department, now the Department of Minerals and Energy, has indicated on more than one occasion that it would be quite possible to do the job on the dam in relation to the farms—not so much in providing town water supply—much more cheaply by recharging the underground aquifers. The department, which I consider to be an authoritative body, believes that $200 000 would be enough to enable the job to be done adequately.

A description of the intent of a project, as Mr Ward read from the 1977–78 State Rivers and Water Supply Commission report, has nothing to do with a cost-benefit study. I shall quote a figure to indicate the sort of thing that worries the Opposition. The Bureau of Agricultural Economics found in 1975 that the Mitchell River water that farmers will buy for $1·05 per million litres will cost the taxpayers $37 per million litres to provide. I should have thought that that sort of statistic would be more germane to the argument. If farmers are going to pay $1·05 per million litres and the water is going to cost the taxpayers $37 per million litres to provide, it indicates the uneconomic nature of the project.

A consolidated comprehensive cost-benefit study has not been done on this dam, and the reason is fairly clear. If it came up with figures like that—and the bureau is a very sound body—the project simply could not be proceeded with, and clearly it should not proceed. That is an economic comment. The project is clearly being proceeded with for political reasons.

My main concern in this regard is for the conservation aspects. Much has been written about the dam, but two things that worry me have appeared as a result of correspondence to Melbourne newspapers over the past month or two. The first matter is that of salinity.

As rivers that run into the lakes are dammed up and the river is used for irrigation or, in the case of the Thomson River, for water for the city of Melbourne, there is a continuing problem of salinity moving in from the salt water. The lakes are becoming more saline because there is less fresh water to flush them; the water is being used elsewhere.

A well-known conservationist, Mr Dewar Goode, wrote to the *Age* on 31 August making it clear that the damming of the Mitchell River would worsen the salinity, not so much from rising groundwater, although this is the final manifestation of salinity, but because the saltiness of the lakes would increase and the salinity would move back up through the lakes into the rivers. It is important to comment on that because it has not been mentioned often.

Salinity is a problem. It has been talked about this evening on a number of occasions and it is costing a lot of money. There will be increasing salinity for the farms served by this dam and the areas around the lakes. The problem must be examined.

The second issue that I am concerned about is also one of conservation. Perhaps honorable members do not think these sorts of issues are important, but again, in a letter to the *Age* on 3 September a Mr Lake, indicated that a species of fish, the Australian grayling, found in the river is under threat because of the dam. I will not reiterate the issue in full because I am sure honorable members have heard the matter talked about, but I want to bring these two points concerning the Mitchell River to attention.

It is not just a matter of money; it is also a matter of conservation. The problem is that the Government feels it must keep a promise that it made in about 1973 and which was brought up again in recent times. Many other promises are not kept and it is hard to understand why this promise must be kept as the evidence mounts up about the doubtful usefulness or importance of the project. Surely other ways of solving the problem can be found at a lower cost. The promises must have been made in such a way that the Government cannot back off. I will be interested to hear the Minister's comments in this regard because he seems to be an eminently sensible fellow and I am sure, as I said earlier, that if he could find the money for other purposes he would do so.

I suggest to him that this is one of those projects where $200 000 or even $500 000 may be sufficient for the bulk of the problem. I agree that it may not do it for 100 years, but that is a long time to plan for. If $12 million or $13 million of the $14 million could be saved, I am sure other areas could benefit from the spending of that sort of money, as I am sure honorable members have pointed out to the Minister. It seems to be a profligate use of taxpayers' money and it is something of an embarrassment to the people who have to promote it. Apparently, a promise was made in haste, a promise the Government is being forced to keep for political reasons, which I will not canvas at length, but the two honorable members of this House who represent that area seem to have played a major part in it. Especially in this year of scarce Budget funds, it is a use for a project that not only is not necessary, in the sense that it need not cost so much and the problem could be dealt with in other ways, but also which can be quite damaging to the environment in two ways, one to do with rare fish and one to do with salinity.

I would like to hear the Minister's comments. I know he has commented on the Mitchell River dam before, but this is a matter requiring explanation from the people who permit expenditure of such a large amount of money when funds for other projects are so short.

The Hon. D. R. WHITE (Doutta Galla Province)—For Mr Ward's benefit, I should like to refer to the State Rivers and Water Supply Commission's annual report 1977–78, vol. 1. In response to the arguments of the Opposition put by Mr Walker and Mr Mackenzie as

well as myself in respect of the Mitchell River project, in which we complained that no adequate cost-benefit study has been undertaken, Mr Ward quoted page 10 of volume 1 of that annual report. I wish to inform him that, at no stage in those two paragraphs, in explaining what the programme is about, is there any attempt by the commission to embark on what could be construed by any reasonable person as a cost-benefit analysis of that project. The House has just heard Mr Walker state that it would cost $37 per million litres per farmer and that the farmers would be providing $1.05 of that $37. There has been no economic analysis of that description, nor could I find it when I first read the report. After Mr Ward's assistance in the House tonight, I still cannot find it.

It is clear that he is proceeding in ignorance, because he obviously does not understand what an economic cost-benefit analysis is. If he did, he would not be looking to the words on page 10 to find it. Also to assist him, it is worth pointing out that it is stated in this informative document that the project will also provide a reserve for future urban and industrial development in the region. In other words, it is not for the immediate use of Bairnsdale for residential or urban purposes. It is for projected future use at some stage.

The Hon. N. F. Stacey—That is planning ahead. You just said that was bad.

The Hon. D. R. WHITE—In the context of this argument, analysing the project in terms of its immediate benefits to the 99 farmers, the costs applying to that project still hold. There is no immediate benefit to the township. In that light, it is ridiculous for the Government to argue that a cost analysis study exists.

The Hon. N. F. Stacey—Nobody said it did.

The Hon. D. R. WHITE—Mr Ward said so.

The Hon. N. F. Stacey—No, he did not. Check *Hansard*.

The Hon. D. R. WHITE—Mr Ward said that, if members examined the 1977–78 report, they would find a cost-benefit study. What is the use of quoting from it unless that is what the issue is about? A cost-benefit study does not exist. The Government has not undertaken one.

The Hon. N. F. Stacey—You have not seen it.

The Hon. D. R. WHITE—Mr Stacey should reserve his contribution for some later stage. He can also inform the Treasurer that clearly a study does not exist.

It is also important to point out that, in the 1977–78 annual report, the question of combatting salinity in northern Victoria is dealt with. In the Bill there is an attempt to implement a programme based on the 1975 proposals of the State Rivers and Water Supply Commission which are currently the subject of a third report by the Public Works Committee. That is known to all members of the House who participated in the debate on salinity measures. It is also known to all members of the House who participated in that debate that the terms of reference of the Public Works Committee's study are narrow and confined and do not lend themselves to the question before the House on this item, namely, who will undertake the monitoring of the magnitude of the salinity problem and the fact that the position is deteriorating.

It has not deteriorated or worsened in any other period of the history of this State as it has in the past few years under the present Minister. He must accept responsibility for the deterioration and the failure of the Government to provide adequate means of combatting the problem. By his omission and his failure to take steps, this problem has deteriorated and it is a reflection on his performance as a Minister that this is the case. Ministerial responsibility is about combatting problems that arise. If salinity has worsened in this State, it is up to the Minister to do something about it. If it has been drawn to his attention, as it has been by the State Rivers and Water

Supply Commission over a number of years preceding this year, then more funds should be made available.

The Minister has failed to maintain the budget. He has produced less funds for the State Rivers and Water Supply Commission, which means less funds for combatting salinity. In respect of the Mornington Peninsula and the Bellarine Peninsula, the other matters raised under this clause, there is nothing substantial in the last report made to this Parliament and the latest report is overdue. Mr Ward's response goes nowhere towards answering the questions raised by the Opposition.

The Hon. H. R. WARD (South Eastern Province)—The heading in the left-hand top corner of page 10 is "Forward Planning". That is the comment I made on the Mitchell River on which it was declared by the Opposition that there would be no forward planning. A long speech about forward planning was given by Mr Walker the other night in which he said that no thought had been given to it. It is expressed on page 10 that it is about forward planning.

Also in the right-hand bottom corner of page 10, honorable members will see some comments which I direct to the attention of Mr White on what the Federal Government is to do in regard to the salinity programme. Those remarks continue on to the next page and I commend them to Mr White.

The CHAIRMAN (the Hon. W. M. Campbell)—I draw to the attention of honorable members that when a member is speaking he is not speaking to any other individual in this Committee. He is speaking to the Chair or to the Committee through the Chair, and I ask all honorable members to remember that that is the procedure to be adopted, and not to address remarks across the floor of the House to individual members.

The Hon. G. A. S. BUTLER (Thomastown Province)—I intend, Mr Chairman, to direct my points to the Minister in respect of clause 4 and to deal with the Mitchell River project.

I seek from the Minister an explanation why the Treasurer on 26 September, after many questions had been asked and a good deal of debate had taken place on the Mitchell River dam, took the opportunity, in presenting his Budget paper on water resources, at page 32 said, "After the work on the Mitchell River dam — — —".

The CHAIRMAN (the Hon. W. M. Campbell)—Is the honorable member quoting from the Budget speech?

The Hon. G. A. S. BUTLER—Yes, Mr Chairman.

The CHAIRMAN—The honorable member is not permitted to do so in this Chamber during this session. That speech was presented by the Treasurer in another place, not to this House. The honorable member is therefore reading something presented in another place during the current sessional period.

The Hon. G. A. S. BUTLER—I apologize, Mr Chairman. I thought a member of the House was at liberty to quote from any documentation necessary to substantiate his argument.

The CHAIRMAN—Let me make it perfectly clear. The Budget speech was presented to the other place by the Treasurer. During this session, no honorable member in this place is permitted to quote from a speech made in another place during the current sessional period. By reading from the Budget speech, the honorable member is doing precisely that. The other House is the only place where that speech has been presented.

The Hon. G. A. S. BUTLER—I will not continue to make the point, Mr Chairman, that a member of another place felt it necessary to indicate that the project would not proceed until a cost-benefit study had been made. It disturbs me that, when the Budget is presented to this House for its consideration, this item is excluded. I was satisfied from answers that had been given by the Ministers that, because of public concern, because of the way the matter was raised in this House, honorable members could reasonably anticipate that the Mitchell

River dam would not proceed until such time as there had been a reasonable investigation of the cost benefit of the proposal put forward as necessary to help the 99 vegetable farmers. But the Bill makes provision for the commission to construct a dam of 15 000 megalitre capacity on the Mitchell River, a dam estimated to cost $14 million, which will provide reasonable security to the irrigated vegetable industry on the Mitchell River flats. It does not make any mention of that dam being used for any other purpose.

I do not wish to be misunderstood. I would be one of the strongest supporters and advocates of dam storage and water conservation anywhere in Victoria which would benefit the people of Victoria, and, for that matter, the people of New South Wales and South Australia. However, I am at a loss to understand why $14 million can be expended to protect 99 vegetable farmers, as my colleague has pointed out.

The Hon. H. R. Ward—What about the rest?

The Hon. G. A. S. BUTLER—I do not see it proceeding much beyond that. If I know the area, and I think I know it reasonably well——

The Hon. J. A. Taylor—You drove through it one day.

The Hon. G. A. S. BUTLER—I have been driving through it for the past fifteen years, as the honorable member well knows. The area has been organized and the Labor Party does know the politics of the area, but that is not the point. If $14 million is to be spent on water supply works and services, it could be far better spent in other areas. For instance, the question of salinity is a major problem. As my colleague, Mr Walker, has pointed out, it is possible that the further damming of the water supply system to the Gippsland Lakes—this is another one as an end run to many others—could in fact raise the salinity question within the Gippsland Lakes and another salinity problem could arise. Perhaps the new slogan being suggested for the Government, "Victoria the Salt State", may well be better than "Victoria the Garden State".

As a new member of the Chamber, I perhaps more than others am concerned to find that what was reported in the newspapers, on the basis of assurances given that the Mitchell River dam project would not be proceeded with until certain considerations have taken place, is not correct.

When I received the document presented to this House, I found that $2·5 million has been allocated in this area out of a provision that has been deprived of nearly $6 million on last years' expenditure. I ask the Minister which House is to be believed, this or the other.

The clause was agreed to, as was clause 5.

Clause 6 (Waterworks Trusts)

The Hon. D. R. WHITE (Doutta Galla Province)—This clause deals with the waterworks trusts and local government bodies. The Government and the Minister have indicated that 207 local authorities now operate water trusts throughout Victoria. The Bill provides no effective criteria for bringing about the proper absorption of those bodies. It is appreciated that an inquiry into local government is under way but no indication has been given of the Minister's policy or belief on the most economic manner in which the bodies can be absorbed.

The Hon. Glyn Jenkins—Absorbed into what?

The Hon. D. R. WHITE—Amalgamated or absorbed into natural water regions so that, instead of a multiplicity of authorities, there will be fewer of these organizations. The Minister and the Government seem to take great delight in there being an increase in the number of these bodies, without proper co-ordination. I hope that, in response to this question about the number of bodies and the Labor Party's concern about lack of co-ordination, the Minister will make some response, especially as he failed to respond to any of the matters raised on clause 4.

The Hon. R. A. MACKENZIE (Geelong Province)—Mention is made in this clause of town water supply to Airey's Inlet, about which the Minister

gave me an answer earlier in the evening. I ask the Minister to examine the supply of information by the State Rivers and Water Supply Commission and local authorities to ratepayers. In this instance, ratepayers who have spoken to me have endeavoured to obtain information from the commissioners and from council members but nobody would give them an answer. I believe ratepayers are entitled to obtain information about when projects such as this will be finished and when water will be available, rather than having to wait for a member of Parliament to obtain an answer from the Minister.

The CHAIRMAN (the Hon. W. M. Campbell)—Order! I believe Mr Mackenzie should have been speaking to clause 9. The only place where Airey's Inlet is mentioned is on page 8 of the Bill. Under the circumstances, perhaps the Minister should answer Mr Mackenzie under this clause.

The Hon. F. J. GRANTER (Minister of Water Supply)—I apologize to the Committee for not responding before. The Committee moved away from that clause before I realized it. Under clause 6 Mr White raised a matter of waterworks trusts and local government bodies, stating that 207 local authorities have been formed to serve 343 cities and towns outside the metropolitan area. It will be realized from the number of cities and towns that are served that these 207 local authorities serve more than one town. Mr White asked whether it is my policy and the policy of the State Rivers and Water Supply Commission to amalgamate these authorities or trusts wherever possible. It is. It might sound a large number, but they are encouraged to amalgamate because it is believed that, by amalgamation, a number of them will receive better administration.

I have noted the points made by Mr Mackenzie and I will provide that information to him. It is listed on page 8 of the explanatory memorandum that the existing local authority continued the construction of new town supplies at Airey's Inlet.

The clause was agreed to, as were clauses 7 to 9.

Clause 10 (Geelong Waterworks and Sewerage Trust)

The Hon. R. A. MACKENZIE (Geelong Province)—I note that $150 000 has been provided for the Geelong Waterworks and Sewerage Trust. Clause 10 (2) reads:

> Any sum advanced to the Geelong Waterworks and Sewerage Trust under sub-section (1) shall be charged to the capital expenditure borne by the State Account and the liability therefor shall be borne by the State accordingly and shall not be deemed to be a liability of the said Trust.

At present, the Geelong Waterworks and Sewerage Trust is engaged in some ambitious and needed programmes. The amount of $150 000 does not seem large when one considers the capital cost of the works being undertaken. I ask the Minister to clarify how that figure was arrived at and the reason for its inclusion in the Bill.

The Hon. F. J. GRANTER (Minister of Water Supply)—That amount is provided under the Works and Services Account to the Geelong Waterworks and Sewerage Trust towards the cost of approved works on water supply. The provision is made annually to the trust but it is not its final figure, as the honorable member will know. The Geelong Waterworks and Sewerage Trust has always been unsubsidized. It has $3·7 million for water and $800 000 for sewerage. Geelong has always gone on to the open market for its borrowings and I have said in this House before that I admire the trust for the initiatives it has taken. I believe the honorable member was a member of the staff at one stage. It has been in the interests of that trust not to seek subsidized funds. The trust has made enormous advances in its works, to the advantage of the ratepayers of Geelong. An amount of $150 000 is provided out of the Works and Services Account, and the rest of the money, namely $4·5 million, is from unsubsidized funds.

The Hon. R. A. Mackenzie—Is that an annual grant?

The Hon. F. J. GRANTER—Yes, I believe so.

The clause was agreed to.

Clause 11 (Country sewerage authorities)

The Hon. D. R. WHITE (Doutta Galla Province)—In the past few years, rural sewerage authorities have been prepared to embark on the iniquitous section 120A sewerage schemes. This Bill provides no explanation of what steps will be taken by the State Rivers and Water Supply Commission or local sewerage authorities on behalf of the people who will suffer the double charge involved at Mount Helen, Chirnside Park, Mount Martha, and parts of Geelong.

It is interesting to note that 132 sewerage authorities are now in operation. The Government has not drawn attention to the fact that one of the reasons for the 132 sewerage authorities is that the Australian Loan Council provides that any sewerage authority that wishes to raise funds does not need Loan Council approval to borrow up to $1·2 million. There is no incentive for the State Government to encourage local sewerage authorities to become amalgamated or for the State Government to reduce the number of those authorities. Following submissions from the Minister of Water Supply, through the Treasurer, the Premier, when he goes to the Australian Loan Council, should endeavour to obtain some consideration and incentive for the State Government to reduce the number of sewerage authorities and water trusts operating in Victoria. At present, if there were an amalgamation of the sewerage authorities, it would reduce the capacity of the State as a whole to borrow, and this would be a disadvantage. To overcome this, the problem needs to be made known to the Australian Loan Council. If there were only one sewerage authority for the rural area, it would have the capacity to borrow only $1·2 million, without Loan Council approval.

To provide the State Government with incentive to bring about an absorption or amalgamation, it is necessary for the Australian Loan Council to appreciate the problem. The Government should address itself to the Loan Council on the matter. One would expect the Minister to take up this matter before the inquiry into local government is completed so that, if it becomes the policy of the Government to do something about the matter, the steps necessary to ensure it is not a disadvantage could commence.

The Hon. A. J. HUNT (Minister of Education)—I assure Mr White that the State Government appreciates the problem that he has just raised, but this matter has been raised on a number of occasions with the Australian Loan Council. Victoria has proposed that municipalities and local authorities generally be released from Australian Loan Council control, except as to conditions of borrowing and interest rates. High interest rates paid by local government would obviously affect the rates paid by the Government itself. To date the proposals by the Victorian Government have been unsuccessful. Alternative proposals have been put to the Australian Loan Council, so far without success, other than that the amount permitted as of right is regularly upgraded.

The Hon. F. J. GRANTER (Minister of Water Supply)—I have suspended any further authorities for schemes under section 120A throughout the State. As I have said before, I believe there is a double payment. I recognize that, as I am sure Mr White knows. I have instituted a review of the matter and I hope a solution can be found shortly.

The clause was agreed to, as were clauses 12 and 13.

Clause 14 (Water waste treatment and other studies)

The Hon. K. I. WRIGHT (North Western Province)—Clause 14 refers to waste water treatments and the purity of water. I have put a proposal to the Minister and am awaiting a report. One of the greatest causes of pollution in the River Murray is the increasing number of houseboats and river craft. I have stressed to the Minister the need for a uniform system of pumping stations along the river. There is no point in Victoria using fittings of one

size and New South Wales and South Australia using fittings of other sizes. There is a need for uniformity and the States must get together and make a decision. The Water Commission must have a policy of erecting pumping stations at strategic points along the river, particularly at such places as Mildura, Robinvale, Swan Hill and so on.

The Minister has come under a lot of criticism this evening. I point out that in all my dealings with the honorable gentleman I have received the utmost courtesy and consideration. However, I understand what other honorable members have said about the decline in funds made available for water supply and similar services. Perhaps the Minister should develop some sort of mean streak in dealing with Cabinet when seeking further funds for water supplies and sewerage.

The clause was agreed to, as were the remaining clauses.

The Bill was reported to the House without amendment, and passed through its remaining stages.

ADJOURNMENT

Waverley Foothills Pre-School and Community Centre — Briquettes — Probationary driver's licence — Advertisement for pyramid jewellery

The Hon. A. J. HUNT (Minister of Education)—I move:

That the Council, at its rising, adjourn until tomorrow, at a quarter to two o'clock.

The motion was agreed to.

The Hon. A. J. HUNT (Minister of Education)—I move:

That the House do now adjourn.

The Hon. C. J. KENNEDY (Waverley Province)—I direct to the attention of the Minister representing the Minister of Health the proposed Waverley Foothills Pre-School and Community Centre, which is to be established at Maygrove Way, Mulgrave. Following a referendum, a large public meeting was held in support of establishing a centre to house an infant welfare clinic, pre-school facilities, a play group, a drop-in centre and a dressing-room for a sports ground.

The Waverley City Council favours this innovative scheme and schematic drawings have been produced. The council will probably provide the land because community facilities in the area are grossly deficient. I have been asked to request the Government for financial assistance for the project. The facilities are desperately needed and a relatively modest grant would allow the group to proceed and get something under way early next year.

The Hon. R. A. MACKENZIE (Geelong Province)—I draw to the attention of the Minister representing the Minister for Minerals and Energy the plight of fuel merchants and the quality of briquettes at Christmas time. This may seem a small matter, but it is important to the fuel merchants, who are an ever-decreasing breed.

I have received representations from several fuel merchants in the province I represent who complain that every year the quality of briquettes falls away at Christmas time. They are compelled to sell bags containing half briquettes, small pieces of briquettes and lots of rubbish. The State Electricity Commission, as a statutory authority, should be setting an example. If a biscuit company were to sell broken biscuits there would be complaints to the Consumer Affairs Bureau, but apparently the State Electricity Commission gets away with selling broken briquettes and putting rubbish in the bags. I am informed that this happens each year and the merchants believe the commission cleans out the bottom of the bins.

I understand the State Electricity Commission is conducting an inquiry into the viability of continuing the supply of large briquettes for use in open fires and hot water services. The fuel merchants tell me that demand for that size is increasing because of the growth in popularity of open fires. I ask the Minister to refer these matters to the Minister for Minerals and Energy in an effort to ensure that the quality of briquettes is improved and stocks of the large size will continue to be available.

The Hon. H. G. BAYLOR (Boronia Province)—I direct to the attention of the Attorney-General a problem involving a young woman who wished to go for her probationary driving licence test. She had obtained a learner's permit but had changed her address and had sent the permit to the Motor Registration Branch to have the address changed. Before the permit was returned, she attempted to go for her probationary licence test but was told that she would have to provide a statutory declaration as evidence that she had a learner's permit.

She had the declaration prepared but when she presented it at the Box Hill police station in order to undergo her licence test, the Box Hill police would not accept it. Because of the inconvenience the young lady has suffered and the wrong advice she was given by police, I ask the Minister to investigate the matter and advise me of the facts.

The Hon. B. A. CHAMBERLAIN (Western Province)—I direct the attention of the Attorney-General, as the representative of the Minister of Consumer Affairs, to a new form of pyramid selling, the sale of fraudulent pyramids. Earlier in the day, I supplied the Minister with a copy of an advertisement that appeared in the Melbourne *Sun* last Saturday under the heading "The Powerful Pyramid Cruciform". The advertisement describes the objects being sold as the most dramatic and exciting pieces of jewellery ever seen. According to the advertisement the jewellery has some remarkable qualities:

> The Pyramid Cruciform contains six miniature pyramids each in the dimension of The Great Pyramid. Because each cross contains its own force field, it does not have to be aligned with true magnetic north.

The advertisement goes on to tell readers about the mysteries of pyramid power and states:

> Many scientists now believe that the pyramid form has an uncanny ability to concentrate the powerful forces of the universe, known as biocosmic energy. Researchers all over the world have reported exciting evidence that pyramid energy can:
>
> • Promote rapid healing of injuries and recovery from illness . . .
>
> • Aid medication and relaxation . . .

It continues:

> Some scientists theorize that the precise mathematic proportions of the pyramid focus and concentrate the electromagnetic waves that surround and bombard us constantly.

The advertisement, which was placed by a company called Atro Enterprises of North Brisbane, suggests that people might like to send $19.95, with the opportunity of earning an honorarium of $50 in cash, and they will find their lives are transformed because the pyramid will not only increase their matrimonial successes and the success they have with poker machines, but will also stop pain. The advertisement states:

> Some scientists believe the cross regulates the biomagnetic current flowing through your body to relax muscles and tissues so that the body can start healing itself and so you can live more positively, joyously and successfully.

I contend that the advertisement is patently fraudulent. I am surprised that any newspaper would publish it. I ask the Minister immediately to issue a clear warning to the public not to be taken in by these charlatans and I also ask him to call upon the *Sun* not to run the advertisement again.

The Hon. HADDON STOREY (Attorney-General)—Mrs Baylor directed my attention to the situation of a young woman who sought a probationary driving licence in circumstances in which she was apparently given certain advice by the police. She followed that advice and, as a result, found that she had to pay a second fee and that the first advice was not correct. She was put to some inconvenience and expense. It is a matter that ought to be examined by the Minister for Police and Emergency Services and I will certainly ask the honorable gentleman to investigate it.

Mr Chamberlain raised a matter concerning the powerful pyramid cruciform advertisement in the *Sun*. I do not know whether it works. Mr Chamberlain provided me with a copy of the advertisement and I can see that it claims the jewellery is:

> Strikingly forceful, awesomely beautiful.

The advertisement certainly has all the attributes of "come-on-sucker" that one might expect. It implies, "This is your last chance. Do not delay. Post today.

If you order today you can qualify for a cash gift of $50". However, the $50 turns out to be available only if the advertiser decides to use one's statement. The advertisement states that there is only a limited time for ordering "your pyramid cross". It also states that after a predetermined number of crosses have been cast the mould will be destroyed. It does not say what the predetermined number is. I know there are people who believe in the power of the pyramid, in certain circumstances.

The Hon. W. A. Landeryou—There are even those who believe in the power of the Upper House.

The Hon. HADDON STOREY—I suggest that those who believe in the power of the Upper House have more substance in their belief than those who believe in the power of the pyramid. It is obviously a matter for the Minister of Consumer Affairs. I will pass it on to him and ask him to give it urgent attention, and to bear in mind the comments made by Mr Chamberlain.

The Hon. F. J. GRANTER (Minister of Water Supply)—Mr Mackenzie raised the matter of fuel merchants and the quality and available stocks of briquettes. I will refer this matter to the Minister for Minerals and Energy and ask him to reply as soon as possible.

The Hon. A. J. HUNT (Minister of Education)—On behalf of the Minister of Health, I inform Mr Kennedy that formal application will need to await further development of plans and the approval of the municipality. However, I am certain that informal assistance can be given in the furtherance of the application if the organizing committee got in touch with the pre-school section at the Health Commission. They know the ropes and they would be able to assist with development of the application in the best possible way.

May I say that, tonight, we have dealt with and replied to four separate matters in fourteen minutes, and I congratulate honorable members on this occasion for keeping their remarks reasonably succinct. It does help.

The motion was agreed to.

The House adjourned at 12.3 *a.m.* (*Wednesday*).

QUESTIONS ON NOTICE

ROYALTIES FROM FOREST PRODUCTS

(Question No. 118)

The Hon. D. E. KENT (Chelsea Province) asked the Minister of Forests:

(*a*) What is the rate of royalties payable on hardware sawlogs, softwood sawlogs, hardwood pulpwood, and softwood pulpwood, respectively?

(*b*) When was the rate of royalties payable in each case last changed, indicating the previous rate?

(*c*) When has the Forests Commission reported to him in relation to the scales of rates in respect of fees, royalties, dues and charges for forest produce, indicating the dates, the recommendations made and any action taken by him on those recommendations?

(*d*) When was the Municipalities Forest Roads Improvement Fund established, indicating under what legislation, the means by which the Fund receives moneys, and the means by which funds are allocated?

(*e*) In each of the past five years—(i) what were the total receipts of the Municipalities Forest Roads Improvement Fund; and (ii) which municipalities applied for allocations from the fund and which applications were granted, indicating the amount involved in each case?

The Hon. F. J. GRANTER (Minister of Forests)—The answer is:

(*a*) There are many hundreds of royalty rates for both sawlogs and pulpwood. The estimated average royalty rates for the year 1979–80 are:

Sawlogs
—hardwood: $9.67 per cubic metre
—softwood: $15.91 per cubic metre
Pulpwood
—hardwood: $2.88 per cubic metre
—softwood: $5.95 per cubic metre

(*b*) The last change in sawlog royalty rates was a general increase applied as from 1 September 1979, except for softwoods in the Heywood–Rennick area where a general increase applied as from 2 July 1979.

The average royalty rates for the year 1978–79 were:

—hardwood: $8.45 per cubic metre
—softwood: $13.89 per cubic metre

Pulpwood royalty rates are the subject of separate agreements with individual companies and are reviewed periodically as required by these agreements.

The average royalty rates for the year 1978–79 were:
—hardwood: $2.17 per cubic metre
—softwood: $5.11 per cubic metre

(*c*) The Forests Commission reports to me yearly on the scales of rates in respect of fees royalties, dues and charges for forest produce. It last reported on 29 June 1979 when it proposed a general increase in royalty of twenty per cent. I conveyed the Commission's proposals to the Treasurer.

(*d*) and (*e*) The Municipalities Forest Roads Improvement Fund is administered by the Honourable the Minister for Transport and these parts of the question should be redirected to him.

NEWPORT POWER STATION

(Question No. 135)

The Hon. D. E. KENT (Chelsea Province) asked the Minister for Conservation:

(*a*) What action has been taken to implement the recommendation of the Newport Review Panel which requires the State Electricity Commission to finance an air monitoring and air quality prediction programme to be carried out under the control of the Environment Protection Authority?

(*b*) What money has been allocated, or will be allocated, to initiate such a programme during the 1979 calendar year?

(*c*) When is it expected that an adequate and effective air monitoring and air prediction programme will be operating?

The Hon. F. J. GRANTER (Minister for Conservation)—The answer is:

I am advised by the chairman of the Environment Protection Authority that:

(*a*) The Environment Protection Authority has explored a number of available options for the implementation of the Newport Review Panel's recommendations. As a first stage it proposes to carry out a study to determine the requirements for an adequate air quality monitoring and predictive system and for the design of such a system for the effective implementation of the Newport Review Panel's recommendation.

The project, which is expected to take two years to complete, will be carried out by a group of independent consultants with proven expertise in this area. In addition it is proposed that an advisory panel of both local and overseas experts will be established to oversee the project and ensure that realistic objectives are established and achieved.

(*b*) Funds have not yet been allocated to this project, since final cost estimates will only be available after receipt of proposals from consultants. Advertisements inviting such proposals have been placed in both local and overseas publications. The closing date for proposals is 3rd March 1980.

(*c*) The first stage of the project is expected to be completed within two years but progressive implementation will commence after approximately one year.

It is expected to have an operational system, although still subject to refinement, during the third year after commencement of the study.

McCLELLAND DRIVE, LANGWARRIN

(Question No. 214)

The Hon. D. E. KENT (Chelsea Province) asked the Minister for Local Government, for the Minister of Transport:

(*a*) What proposals are there for widening and upgrading McClelland Drive, Langwarrin, indicating when the plans were prepared, what the proposals involve and when they are expected to be implemented?

(*b*) What is the purpose of the proposed widening of McClelland Drive and how will its use conflict with or complement the use of the Mornington Peninsula Freeway in the same area?

(*c*) Will the proposals to widen and upgrade McClelland Drive involve any disruption of or encroachment on the Langwarrin Military Reserve; if so, what are the details and what arrangements have been made to secure the necessary easements?

(*d*) Will an Environment Effects Statement be required prior to the commencement of the construction works to upgrade or widen McClelland Drive?

The Hon. D. G. CROZIER (Minister for Local Government)—The answer supplied by the Minister of Transport is:

(*a*) (*b*) and (*c*) McClelland Drive is an unclassified road under the care and management of Frankston City Council and Cranbourne Shire Council. Discussions have been held at officer level between the board and the councils regarding the possible future widening of McClelland Drive to assist in providing for traffic in the area in the period before the Mornington Peninsula Freeway is constructed and in the longer term by providing an adequate collector-distributor road between the freeway interchanges at Skye Road, Cranbourne–Frankston Road and Golf Links Road. No final decisions with regard to the widening have been made.

(*d*) Should a proposal to widen McClelland Drive be adopted the Minister of Conservation will make the decision whether an environment effects statement will be required.

HOUSING COMMISSION TENANCIES

(Question No. 234)

The Hon. K. I. WRIGHT (North Western Province) asked the Minister of Water Supply, for the Minister of Housing:

How many deserted wives have been granted tenancy of Housing Commission homes in the Mildura, Red Cliffs, Irymple and Merbein areas, respectively, in each of the past two years, and what percentage are these of the total tenancies in these areas?

The Hon. F. J. GRANTER (Minister of Water Supply)—The answer supplied by the Minister of Housing is:

	Year ending 31 *October* 1978	31 *October* 1979
Mildura—		
Total allocations ..	17	22
Allocations to deserted wives	4	9
Percentage	24 per cent	41 per cent
Red Cliffs—		
Total allocations ..	31	21
Allocations to deserted wives	5	5
Percentage	16 per cent	24 per cent
Irymple—		
Total allocations ..	Nil	1
Allocations to deserted wives	Nil	Nil
Percentage	Nil	Nil
Merbein—		
Total allocations ..	2	2
Allocations to deserted wives	Nil	2
Percentage	Nil	100 per cent

Legislative Assembly

Tuesday, 4 December 1979

The SPEAKER (the Hon. S. J. Plowman) took the chair at 4.5 p.m. and read the prayer.

ABSENCE OF MINISTERS

The SPEAKER (the Hon. S. J. Plowman)—I have to announce the absence from the House of the Minister of Health. He is in hospital suffering from pneumonia. The Assistant Minister of Education will also be away this week as he is attending a Ministerial conference.

QUESTIONS WITHOUT NOTICE

KEYSBOROUGH TROTTING COMPLEX

Mr WILKES (Leader of the Opposition)—Can the Minister for Youth, Sport and Recreation gave an assurance that the valuation that he sought from the Valuer-General concerning the land purchased by the Trotting Control Board at Keysborough will be made available for consideration by the Parliament before the completion of this spring sessional period?

Mr DIXON (Minister for Youth, Sport and Recreation)—I cannot give that assurance. As soon as the valuation is made available to me, it will be made available to honorable members. I do not know whether the Parliament will still be sitting at that time.

I asked the Valuer-General for the valuation some time ago and I know he has had his staff working assiduously on the matter, but valuations are a complex matter. As soon as the valuation becomes available and is considered by the Government, it will be made available to honorable members.

"AGE" AND "SYDNEY MORNING HERALD"

Mr ROSS-EDWARDS (Leader of the National Party)—I refer to the statement made by the Premier yesterday concerning the *Age* and *Sydney Morning Herald* matter. In light of that statement, will the Premier give further consideration to the proposition I put to him last week, that this matter be referred either to the Company Takeovers Committee or another all-party committee to be established to consider this matter, which is of great importance to Victoria?

Mr HAMER (Premier)—The views which I expressed yesterday were not simply related to any single event. They were related to a series of events and situations which have occurred over the past few weeks. They do not indicate, as the honorable member for Brunswick interjects, any change of heart. I told the Leader of the National

Party that in my view the provisions of the Company Take-overs Act were not applicable to this sort of situation where there were offers to buy certain blocks of shares, or an actual purchase which gave or might give control indirectly.

What I was concerned about, and what all members of this House would be concerned about, is the possibility that this can happen again, and the view which we ought to take in respect of the independence of the media. After all, there are provisions which are designed to ensure that television and radio stations shall not be controlled by a limited number of people.

The question arises whether some kind of similar provision ought to be made in respect of other forms of the media, which, as the Deputy Leader of the Opposition interjects, is a State matter.

I adhere to the view I took last week that current legislation which has been enacted by this House is not readily applicable to this sort of situation. What I am saying is that I think the Government—and I am sure it will —will consider the situation in a broad context, and I will be in a better position to answer the honorable member's question after the matter has been so considered.

There are various possibilities. One is to enlarge the ambit of the current Act on company takeovers. The other is, of course, to have an all-party committee, which is what I think the honorable member is advocating, which would involve a much larger scope and possible new legislation.

I will be able to answer the honorable member next week.

RENT REBATES

Mr COLEMAN (Syndal)—Is the Minister of Housing aware that some sections of the community may not be aware that they are entitled to rent benefits? If so, what action does the Government propose to take?

Mr DIXON (Minister of Housing)—When I attended a conference on social welfare in Puerto Rico some years ago, the outstanding point was that the major disadvantage suffered by low income people was a lack of information. There is no doubt that many people are disadvantaged because they do not know their rights, particularly people who have difficulty with the language and some people who, for various reasons, are unable to read. As a result, the Ministry of Housing has adopted a policy, which I believe is the first of its kind in Australia, that, if a person has a reduction in income and for some reason does not apply for a rental rebate until a crisis has occurred through non-payment of rental, the Housing Commission is prepared to give a rental rebate retrospective for twelve months. No additional payment will be required from those persons; there will be a policy of cancelling rental arrears built up as a result of reduction in incomes. I hope all honorable members will agree that this is a worth-while policy.

PENSIONER BENEFITS

Mrs TONER (Greensborough)—Would the Minister for Community Welfare Services inform me why the State Government has not followed the Federal Government's lead in increasing the income limit for pensioner couples in receipt of fringe benefits, particularly with respect to transport concessions which should be made available to those pensioners who were entitled to pensioner medical cards under the last Federal Budget? If he is not prepared to have the limit increased in line with the Federal Government's action, will the Minister indicate why he is taking a harder line than Senator Guilfoyle?

Mr JONA (Minister for Community Welfare Services)—The honorable member seems to be a little confused about the question which she has asked or, if she is not confused, she has presented the question in a rather confusing fashion and I am not clear precisely what she is referring to. However, if she is referring to the decision of the Commonwealth to extend the pensioner medical entitlement benefits to a wider range of beneficiaries than that which applied prior to the last Federal Budget, I indicate that the State Government is currently considering the effects of that extension upon extensive, wide-ranging

and additional benefits which the State Government makes available over and above all the social security benefits of the Commonwealth, to a large and substantially increasing number of pensioners. In short, the State Government is currently considering that position which will be clarified shortly.

CHRISTMAS AND NEW YEAR HOLIDAYS

Mr JASPER (Murray Valley)—Will the Premier indicate what additional holidays are being granted to State Government employees over the Christmas-New Year period this year? If there are to be additional holidays, will the Premier further indicate why the Government is seemingly taking the lead of granting additional holidays when awards covering private enterprise do not provide for additional holidays in this period?

Mr HAMER (Premier)—The holidays which are prescribed by the Government are bank holidays and holidays for the Public Service. The Government has followed a tradition which I believe has occurred on several previous occasions; when Christmas Day or New Year's Day has fallen on Tuesday, the extra holiday which occurs about that time should be taken on the Monday. That has been proclaimed as a bank holiday and also as a holiday for the Public Service.

The total number of holidays has not increased, and the Government has taken the action which has been taken in previous years, six years ago and, I understand, twelve years ago, when a similar situation prevailed.

POLICE HELICOPTER

Mr CRELLIN (Sandringham)—Is the Minister for Police and Emergency Services aware of an incident yesterday which resulted in damage being caused to the police Dauphin helicopter? If so, can he advise the House of the nature of the incident, the extent of the damage, how long the helicopter will be out of service, whether spare parts, if required, are readily available, and, finally, whether a replacement helicopter will be available for the police to use while the Dauphin is out of service, keeping in mind the heavy demand that will be placed on police resources over the coming Christmas holiday period?

Mr THOMPSON (Minister for Police and Emergency Services)—In answer to the final part of the question, the Government is endeavouring to provide an alternative helicopter over the Christmas period to cover certain plans that have been prepared for the use of the helicopter during that time. At this stage, we believe it will be possible to hire a helicopter to perform a similar function to that of the Dauphin.

The accident that occurred yesterday took place in mountainous country near Licola in East Gippsland. An evaluation team, consisting of representatives of the Federal Department of Transport and the police, has visited the area today.

No actual engine failure occurred, but it appears that the helicopter was hovering at a fairly low level performing police work and struck a severe air pocket. They are the indications at this stage and are yet to be confirmed in full by the investigating team. Fortunately no one was injured because the aircraft moved towards the ground relatively slowly and did not fall and crash.

The amount of damage is being assessed at present and it appears that it will not be repaired before Christmas. For that reason alternative arrangements are being examined.

GOVERNMENT TRANSPORT POLICIES

Mr CRABB (Knox)—I ask the Minister of Transport: Is it a fact that four advertising agencies have been requested to submit proposals for an advertising campaign involving some $500 000, the objective being to project the Victorian Government's transport policy? If so, can the Minister inform the House whether a feasibility study has been conducted to ascertain whether that $500 000 would have been better spent in preventing breakdowns like the one that occurred at Flinders

Street railways yards yesterday morning making almost every train from the eastern suburbs late?

Mr MACLELLAN (Minister of Transport)—The honorable member began his question by asking, "Is it a fact" and went on to state a number of supposed facts. The answer to that part of the question is, "No". The matters that the honorable member suggested are not correct.

Firstly, the amount of $500 000 is not correct; the figure involved is $250 000, which is exactly half; secondly, four agencies have been invited to make submissions.

I compliment the honorable member on his diligence in reading the *Australian Financial Review,* which today contains a report of the matter he raised.

The income to pay for the advertising campaign will be obtained by advertising on railway properties and other properties associated with transport.

The honorable member directed his attention to whether the campaign will be used to advertise Government policies. The campaign has nothing to do with Government policies. The campaign is to encourage people to use public transport. The campaign, in a direct way, will point out the benefits of travelling by tram, train or bus.

The honorable member claimed that there are deficiencies in the public transport services. Those deficiencies obviously need attention and will get the attention they need.

EQUAL OPPORTUNITY ACT

Mr McCLURE (Bendigo)—Is the Premier aware of claims made in the press by the President of the Australian Council of Trade Unions, Mr Hawke, whom I would not like to quote incorrectly——

The SPEAKER (the Hon. S. J. Plowman)—Order! The honorable member may not quote from a newspaper article. The honorable member may refer to the newspaper article.

Mr McCLURE—Is the Premier aware of Mr Hawke's statement that we have not eliminated the inheritance that women are not equal? Could the Premier indicate the way in which the Victorian Government is eliminating discrimination against women?

Mr HAMER (Premier)—The statement attributed to Mr Hawke was made in the course of one of the Boyer lectures. I am not aware of the context in which the statement was made because it was quoted in the press only and I have not received a copy of the lecture.

However, the Victorian Government's efforts at anti-discrimination on the grounds of sex or marital status are enshrined in the Equal Opportunity Act. All honorable members should take some cognizance of the fact that in spite of the scores of complaints which have been made about discrimination, in all but one case those complaints have been settled by discussion and conciliation which Parliament expected would be the case when the Act was passed. In fact, the Government insisted that conciliation would be the first approach. I do not know whether Mr Hawke was referring to that, in which case his statement was inaccurate in the case of Victoria, but he may have been referring to the situation in the Labor Party. Mr Hawke may therefore have been referring to the criticism within the Labor Party of the demotion of Senator Jean Meltzer in the Labor Senate team, as contrasted with the joint Liberal/National ticket which has Senator Margaret Guilfoyle at the top of the list.

I remind the House that both the National and Liberal parties have had a lady president for the past three years in Victoria and, in the case of the Liberal Party, there is complete equality of the sexes throughout the organization. I think Mr Hawke was therefore referring to the situation in the Labor Party.

TRAVEL CONCESSIONS FOR UNEMPLOYED

Mr WALSH (Albert Park)—Can the Treasurer indicate whether the Government initiated its policy commitment of providing half fare concessions for un-

employed persons seeking job interviews other than those arranged by the Commonwealth Employment Service? If so, when was that scheme implemented and, if it has not been implemented, what is the reason for the delay?

Mr THOMPSON (Treasurer)—It is expected that an announcement will be made about the scheme before the House rises. The Government is examining various ways and means of carrying out the undertaking given by the Premier. The current position is that the Commonwealth Employment Service provides a subsidy for people seeking jobs recommended by the Commonwealth Employment Services. However, if those persons are seeking employment with firms not recommended by the Commonwealth Employment Service, no transport subsidy is available.

The Premier indicated at the time that the Government would fill in the gap so that there would be a subsidy for the travel of young people wishing to obtain employment in jobs not recommended by the Commonwealth Employment Service. However, there are difficulties in implementing the scheme from the point of view of issuing suitable cards readily recognizable by those responsible for collecting fares on public transport.

FLOOD LEVELS

Mr HANN (Rodney)—Can the Premier advise the House when the legislation relating to flood levels will be introduced into Parliament and can he give an assurance that this legislation will be passed before the close of the current sessional period?

Mr HAMER (Premier)—The necessary legislation has been considered by Cabinet and is ready for introduction. I hope that, with the co-operation of the other parties, it will be passed before Parliament rises for Christmas.

PURCHASE OF "HEIDE"

Mr SKEGGS (Ivanhoe)—Further to my earlier representations, can the Premier advise the House on the progress of negotiations for the purchase of the famous Bulleen property "Heide", including an art gallery, which was the former home of such famous painters as Sidney Nolan, Arthur Boyd, Albert Tucker and Danila Vassilieff?

Mr HAMER (Premier)—In reply to the honorable member who has been persistent in pursuing progress on this matter, this property forms part of the Yarra Valley Metropolitan Park. It was owned by Mr and Mrs Reid who were the patrons of a group of famous Victorian painters headed by Sidney Nolan and who were largely responsible for their success and progress. Arrangements have been made for the purchase of this property and its addition to the Yarra Valley Metropolitan Park in Bulleen. The only matter outstanding is an agreement relating to a number of paintings hanging in that property which was designed both as a home for Mr and Mrs Reid and also as a gallery. That matter is in hand through the Crown Solicitor and I understand that it is almost finalized so that the Government is on the brink of acquiring the property and a range of very famous paintings which will be a worthy addition to the art heritage of Victoria.

SOLICITORS' FEES

Mr EDMUNDS (Ascot Vale)—The Premier would be aware of the view of the community generally that solicitors' fees and doctors' fees are excessive and contribute to inflation. Will the Government, therefore, be making representations to the committee examining the application for a 30 per cent increase in fees charged by solicitors for Supreme Court matters in the same manner as it made representations to the Arbitration Commission that there be no increases in award wages?

Mr HAMER (Premier)—This matter falls within the jurisdiction of the Attorney-General. I have no information about that application. I point out to the honorable member for Ascot Vale that the fee scales are determined by a Justice of the Supreme Court and, unlike other professional fees which are not similarly controlled, they are under very tight control. I am unable to answer further, but I will refer the matter to the Attorney-General.

MOTOR CAR DRIVERS

Mr RICHARDSON (Forest Hill)—Is the Minister for Police and Emergency Services aware of the opinion expressed by the criminologist, Dr David Biles, that driving should be restricted to people who are deemed to be safe drivers and that restrictions should be placed on cars and motor vehicles driven by young people? If the Minister is aware of those comments, will the Government consider the proposition?

Mr THOMPSON (Minister for Police and Emergency Services)—I do recall an article reporting a speech made by Dr David Biles in which he suggested that more attention should be paid to the driver and less to the car and that particular attention should be given to young people. Statistics produced by the Road Safety and Traffic Authority indicate that half of those killed in road accidents are under the age of 30 years and that three-quarters of those killed are males —an interesting statistic. As a result of the first statistic, an investigation is being made of the types of cars young people drive, to ascertain whether there is any indication that they are more likely to be involved in serious accidents if they drive high-powered cars. The restriction suggested could not easily be imposed and the Government would have to be certain of its effectiveness before introducing it. Therefore, some further research is indicated to ensure that any move along these lines would be justified.

MEDICAL FEES

Mr ROPER (Brunswick)—Is the Premier aware of the figures released by the Federal Minister for Health, Mr Hunt, that patients in Victoria are more likely to be charged above-schedule fees by doctors than those in any other State and that 61 per cent of non-pensioner and disadvantaged general practitioner services are above the scheduled fee? If the Premier is aware of this, in view of his remarks in the past about the need for doctors' fees to be reasonable, will the honorable gentleman take steps to have this overcharging investigated with a view to providing better protection for Victorian families?

Mr HAMER (Premier)—I am not aware of that statement. I will confer with the Minister of Health to determine its validity. If it is a valid and accurate statement, the Government will consider what can be done.

STAMP DUTY ON MOTOR VEHICLES

Mr COLLINS (Noble Park)—In view of the concern expressed by the Victorian motor trade to the Treasurer over the proposed stamp duty increases on motor vehicles, trucks and used cars, and the discussions that the Treasurer has had with representatives of the Australian Automobile Dealers Association and the Victorian Automobile Chamber of Commerce, can the honorable gentleman advise whether the discussions with those representatives have been successful?

The SPEAKER (the Hon. S. J. Plowman)—Item No. 1, Orders of the Day, Government Business, relates to the matter raised by the honorable member. I rule the question out of order and suggest that the honorable member hold his comments until the second-reading debate or the Committee stage of the Bill.

Mr COLLINS (Noble Park)—On a point of order, I was seeking from the Treasurer guidance as to whether the discussions he has held with the motor trade have been fruitful. That may or may not relate to the matters being debated.

The SPEAKER—Order! I will rule the question in order if it does not relate to a matter before the House, and I ask the Treasurer to answer it accordingly.

Mr THOMPSON (Treasurer)—Answering within your guidelines, Sir, I have to say that the discussions have been frequent—

Mr SIMMONDS (Reservoir)—I raise a point of order. Whether they were successful is surely a matter of opinion.

The SPEAKER—I uphold the point of order. The question seeks an opinion.

FISHING INDUSTRY

Mr FOGARTY (Sunshine)—Is the Minister of Labour and Industry aware that Australia imports approximately $120 million worth of fish yearly? Is the Minister also aware that, by agreement between the Commonwealth Government, certain joint fishing enterprises and the Victorian Government, 10 per cent of the catch must be processed on shore as a product of Australia? Is the Minister also aware that at present approximately 50 boats are carrying out feasibility studies to the south of the Victorian mainland, including Mauri Brothers and Thomson, Safchu, Three Oceans Fisheries and Lakes Entrance Fishermans Co-operative Society Ltd? If the Minister is aware of this, what action has he taken to ensure that 10 per cent of the catch is processed on shore in Victoria as a decentralized industry, minimizing to a certain extent the labour situation in Victoria? If that is taking place, what is the name of the processing company, its location and the number of persons it is able to employ?

The SPEAKER (the Hon. S. J. Plowman)—Order! The honorable member may ask one question only.

Mr RAMSAY (Minister of Labour and Industry)—I was not aware of this matter until the honorable member asked the question. I invite him to put the question on notice.

PETITION

Registration of radiographers

Mr ROPER (Brunswick)—I present a petition from certain citizens praying that legislation be urgently introduced to effect registration of radiographers and licensing of all other persons who desire to use X-ray apparatus, such licences only to be granted where circumstances show that it would be to the public benefit. The petition is respectfully worded, in order, and bears 113 signatures. I desire the petition to be read.

The Standing Orders were suspended to enable the petition to be read, and the petition was read by the Clerk. It was in the following terms:

THE HONORABLE THE SPEAKER AND MEMBERS OF THE LEGISLATIVE ASSEMBLY IN PARLIAMENT ASSEMBLED.

We, the undersigned citizens, do humbly pray

1. that the Parliament recognize the urgent need to protect the Victorian public from the use of medical x-ray apparatus by untrained or unqualified people, and

2. that the Parliament take note that the Radiological Advisory Council recently announced by the Minister of Health has no express power to investigate the qualifications or training of such people, and

3. that legislation be urgently introduced to effect registration of radiographers and licensing of all other persons who desire to use x-ray apparatus, such licences only to be granted where circumstances show that it would be to the public benefit.

And your petitioners, as in duty bound, will every pray.

It was ordered that the petition be laid on the table.

PAPERS

The following papers, pursuant to the directions of several Acts of Parliament, were laid on the table by the Clerk:

Education Act 1958—Resumption of Land at Wantirna—Certificate of the Minister of Education.

Egg Industry Stabilization Act 1973—Report of the Poultry Farmer Licensing Committee for the Licensing Season ended 28 February, 1979.

Egg Marketing Board—Report for the Pool year ended 30 June, 1979.—Ordered to be printed.

Geelong Regional Commission—Report and Statement of Accounts for the period ended 30 June, 1978.

Industrial Training Commission—Report for the year 1978–79.—Ordered to be printed.

Port Phillip Authority—Report for the year 1978–79. Ordered to be printed.

River Murray Commission—Report for the year 1978–79.

Town and Country Planning Act 1961—Traralgon—City of Traralgon Planning Scheme 1957, Amendment No. 11 (1977).

Victorian Brown Coal Council—Report for the period ended 30 June, 1979.

Victoria Institute of Colleges Act 1965—Report of the Council for the year 1978.—Ordered to be printed.

Mr AMOS (Morwell)—On a point of order, may I ask whether the report of the Victorian Brown Coal Council will be printed?

The SPEAKER (the Hon. S. J. Plowman)—Order! I did not propose the question that the report be printed. I will have the matter considered by the Printing Committee when it considers the matter recently raised by the honorable member for Brunswick.

HOURS OF MEETING

Mr HAMER (Premier)—I move:

That the House, at its rising, adjourn until tomorrow, at half-past ten o'clock.

I understand this motion has the approval of all parties in the House.

The motion was agreed to.

STAMPS (AMENDMENT) BILL

The debate (adjourned from September-26) on the motion of Mr Thompson (Treasurer) for the second reading of this Bill was resumed.

Mr CRABB (Knox)—The Stamps (Amendment) Bill is the latest of a succession of "slug the motorists" Bills which have been introduced by the Government since the last election. It appears that the State Liberal Government has taken its lead from the Federal Liberal Government. The Federal Government first discovered that the motorist seemed to be an excellent milch cow.

The Federal Government was the first to discover that it could rip off $2000 million in fuel levy from the motorist with little complaint, considering the difficulties it experiences in raising money from income taxes and similar sources. Of that $2000 million that the Federal Government raises each year, $500 million comes from Victoria. Of that $500 million, barely $100 million comes back to this State in funds for expenditure on roads and associated transport facilities. The Federal Government was the first to discover this source of taxation. On the consideration of this year's Budget the new Victorian Treasurer woke up to this opportunity to sneak in some heavy taxes on the motorists of Victoria.

A series of taxes has been introduced by the Government, and I shall take them one by one. Firstly, the petrol levy was introduced in the last sessional period of this Parliament. Prior to that, there had been no State petrol levy. Currently the Government is collecting the levy at the rate of $60 million a year. Last week, I think it was at question time, the Treasurer foreshadowed an increase in compulsory third-party insurance premiums, which are currently drawing $185 million from motorists in Victoria, and are likely to increase by $50 million next year. Parliament has already passed the Bill—indeed it is now in effect—to double the surcharge on third-party insurance premiums which was bringing in $8 million last year and will bring in $16 million this full year. The increase in the surcharge came into effect two days ago, on 1 December.

The current rate of stamp duty is 2·5 per cent on the transfer of a motor vehicle and is currently bringing in $50 million. If the Bill as presented is passed, the Government will collect $90 million, an increase of $40 million. Other levies related to motoring, on which there has been no substantial change, raise $60 million. Finally, by a Bill which is before the House, revenue from motor registration fees will be reduced by about $15 million, from about $125 million to $110 million.

The aggregate effect of all these tax measures is that payments by motorists have risen from $428 million a year to $576 million a year. That is an increase of $148 million or more than one-third in a year. Even more important is the aggregate figure because, time and again the present Treasurer, his predecessor, the present Minister of Transport and the former Minister of Transport, have been heard to complain bitterly about the treatment they have received from their Federal counterparts, and particularly about how much the Federal Government takes. But this State Government is taxing motorists more than does the Federal Government. The Government is taking in $576 million a year, while the Federal Government obtains about $500 million a year.

It is not only taxes on the motorists that have increased this year. There have been substantial fare increases on public transport of the order of 25 per cent on most journeys. The increased fares that will be collected from Victorians will be in excess of $50 million. The Government appears to be not only charging motorists more in taxes to make up revenue in the Consolidated Fund, but it is also driving people off public transport by cutting back services and by increasing fares, putting people back into motor cars, only to charge them more for the privilege of having that essential motor car, especially in country Victoria where virtually no public transport is available. Public transport is hardly seen, hardly used, or hardly available outside the metropolitan area. People in country Victoria and in the outer suburbs of Melbourne are virtually forced to use a motor car. They have no choice in the matter. Many families are forced to own two, and sometimes even three, motor cars.

In looking at the specific details of the measure, a number of factors have confirmed the Labor Party in its opposition to the measure. The first is that stamp duty on the transfer of motor registration is an *ad valorem* duty. It is currently 2·5 per cent of the value of a car; to be more precise, it is $5 for every $200 or part thereof. The duty increases by itself in line with the increase in the value of new and used motor vehicles. Between 1977–78 and 1978–79, the collections increased by 8·3 per cent. In the previous year, the increase was also 8·3 per cent. The year before that it was 18·3 per cent, all on the same rate, so the collections have increased without any increase in the rate. The collections increased in line with inflation, in line with the price of motor vehicles. The Goverment has no need to increase the stamp duty on the transfer of motor registration, as it has a need to increase the stamp duty on cheques, which is dealt with in another part of the Bill. Every honorable member appreciates that a fee of 10 cents or 11 cents needs to be increased periodically to keep in line with inflation, but an *ad valorem* stamp duty, which is a growth tax in itself, ought not to be increased.

The second fact about this motor registration stamp duty charge is that the duty in Victoria is already the highest in Australia. Honorable members ought not to be debating today whether the duty should be increased by 80 per cent; we should be debating whether it should be decreased. At present, Victoria charges 2·5 per cent, New South Wales 2 per cent, Queensland 1 per cent, Western Australia three-quarters of 1 per cent, and Tasmania 2 per cent. South Australia has a sliding scale rising from 1 per cent to about 3·4 per cent, which I am told averages out at 2·5 per cent, which is the same as that charged in Victoria. I take the word of the Victorian Automobile Chamber of Commerce that a car that costs $10 000 in Canberra, where there is no stamp duty on transfer of registration, will cost $10 075 in Western Australia; $10 100 in Queensland; $10 200 in Sydney; $10 250 in Adelaide; $10 250 in Victoria, and with the new tax it will be $10 450 in Victoria.

Clearly, Victoria has the highest rate of stamp duty on the purchase of new and used vehicles of all States in Australia, without increasing it by the enormous proportion of 80 per cent.

The third matter which is important about this measure is that not one cent of the money collected from this stamp duty will be used on facilities for motorists, roads or public transport. All the proceeds will go into the Consolidated Fund and thereby the Government suffers the very criticism that it has levelled at its Federal counterparts in respect of the Federal petrol tax.

No doubt many honorable members have received representations from various people and organizations. It is worth quoting some of the statements by people other than myself on this measure. I am told that the retail motor industry employs more than 100 000 people in this State and that it is facing an extremely difficult period. I am told that many firms are approaching liquidation. Victorian firms are going broke simply because people are not buying

vehicles at the rate they once did. The additional costs which are imposed on the purchasers of cars and trucks will be a heavy impost on the industry.

In the heavy transport area, the difference in stamp duty between Victoria and other States already runs into several thousands of dollars and will be more if the measure is put into force. The Bill will increase inflation and increase unemployment.

I shall quote from a letter addressed to me from the Victorian Automobile Chamber of Commerce. It seems to be duplicated, so I presume every honorable member has received a copy of it. The letter states:

> The Victorian Automobile Chamber of Commerce estimates that some three to four thousand employed in and near to the sales side of the motor industry will be dismissed in the next few months if the downward trend of Victorian motor vehicle sales is not arrested.

That same organization has also quoted reports about large successful dealers dismissing up to 30 members of staff at one time in recent months. Mr Collins, the Executive Director of the Victorian Automobile Chamber of Commerce, was quoted recently as having said:

> It is the Victorian Automobile Chamber of Commerce's view that the time has come to call a stop to this unfair and irrational financial pummelling of the Victorian motorists.

I heartily endorse his attitude in that regard. Another matter was raised by Mr Heath, President of the Victorian Automobile Chamber of Commerce, who was quoted in the *Age* newspaper recently on the matter of fleet sales—the purchase of fleets of commercial vehicles or fleets of cars. Mr Heath stated:

> Fleet sales are a third of Victoria's car sales and they'll all go interstate, costing the jobs of about 3 000 people and sending some dealers broke.

The same article stated:

> The Victorian Leader of the National Party, Mr Ross-Edwards, said yesterday his party would oppose the Government's tax plan.
>
> "The motor industry is facing depressed conditions," he said.
>
> "Victoria, the home of the motor industry, should have local taxes in line with those in other States."

Mr Simpson—And the latest bulletin is that he has not moved his position.

Mr CRABB—I will come to that later, but it is worth dealing for a moment with the heavy truck industry. One matter brought to my attention by Mack Trucks Australia Pty Ltd, which company is particularly concerned about the sale of used trucks, which is a major part of the trucking industry—and I draw it to the attention of the Treasurer—is that, because this stamp duty is imposed on used vehicles as well as new vehicles, it is applied in a very different way from the customary sales tax and yet it operates in the same way as a sales tax. If someone buys a new truck at, say, $70 000, he will pay a proposed tax of $3 150. If he kept the unit for many years, no more tax would be payable. But if he traded in the vehicle, a further tax would be paid, as would occur with later transfers of the vehicle. This is an extra imposition on the trucking industry which is in deep difficulties, quite apart from the retail motor trade. If any industry is in strife at present, it is the trucking industry, which needs the sympathy and assistance of the Government.

Another organization representing motorists, the Royal Automobile Club of Victoria, has said some fairly strong words about the measure. In one of its recent magazines, it perhaps hit the nail on the head when it said:

> New South Wales in their recent Budget did not increase motoring charges and will not introduce a State petrol tax.
>
> The ability of the Victorian Treasurer to produce a sound budget without fleecing the motorist must be questioned.
>
> It is time the voices of the motorist as electors indicated their dissatisfaction in these increasingly severe taxes for the right of using and operating an essential commodity—the motor car.

When the RACV questions the ability of the Victorian Treasurer to produce a sound budget without bleeding the motorists, it is reflecting the attitude not only of motorists but also of all Victorians.

I have no doubt honorable members will have received letters from individual constituents, as I and my colleagues have, protesting about this extra slug that they must bear. It was reported in the press last week, I believe after a

press conference of the Treasurer, that he was re-examining the Budget decision to increase stamp duty. The Treasurer has informed me that he intends to introduce an amendment during the Committee stage to reduce the increase so that, instead of it being a 2 per cent increase in stamp duty on new and used cars, it will be an 0·5 per cent increase on new cars, and a 1·5 per cent increase on used cars. It seems silly to conduct this debate on the assumption that honorable members will be arguing about a 2 per cent increase, when it is proposed to move an amendment, and the Treasurer has informed me across the table that the amendment will be an 0·5 per cent increase on new cars and 1·5 per cent increase on used cars.

Mr Ross-Edwards—That is not what the Bill says.

Mr CRABB—I daresay that is not what the Bill says. That will reduce the Government's income by $20 million in a full year and by $10 million this financial year.

The SPEAKER (the Hon. S. J. Plowman)—Order! It is out of order to debate an amendment which may or may not be moved. The time to debate the amendment is when the amendment is moved in the Committee stage.

Mr CRABB—The Government has been reconsidering its Budget decision and the Bill. Indeed, the Treasurer was quoted in the *Sun* as having said that he has agreed to review the proposed 80 per cent rise after complaints from the Victorian motor industry. The article also quotes the Leader of the National Party and myself as both expressing the view that there should be no increase at all.

The Bill seeks to raise $40 million in a full year but it will not come into effect until 1 January and, consequently, will apply only for half of the financial year. The Government, therefore, will derive only $20 million which, according to the Budget Estimates, would be 0·5 per cent of the Consolidated Fund.

For example, if for some reason the amount collected were only $10 million, instead of $20 million, it would be only 0·25 per cent of the Consolidated Fund, that is, one-quarter of 1 per cent. Examining that another way, $20 million is 0·8 per cent of the departmental votes. $10 million this financial year is 0·4 per cent of the departmental votes.

One would have thought that a new Treasurer would be eager to show himself to be more efficient than his predecessor by doing things that have not been done before, that is, sweeping through the dusty cobwebbed halls of Treasury and finding it easy to scrape one-quarter of 1 per cent off the Budget.

The Government has spoken of a number of measures that will be introduced. Those measures include zero budgeting, sunset legislation and increased efficiency across the board. Surely the Government could produce that one-quarter of 1 per cent saving by some other means?

The Government has wasted money on the trotting complex at Keysborough, the Housing Commission purchases at Sunbury, Melton, Pakenham and Wodonga and on purchases such as Bethanga Park, which Parliament will be asked to validate.

The SPEAKER (the Hon. S. J. Plowman)—Order! The honorable member may allude in general terms to Government deficiency in monetary terms but when the honorable member starts to introduce detailed discussion of other matters that have come before Parliament and are still to come before Parliament, the honorable member is out of order and speaking out of context on the Bill.

Mr CRABB—I am arguing that the House should reject the proposition to increase stamp duty on the registration of new vehicles and on the transfer of registration of motor vehicles. During the week, the Premier commented outside the House that it was irresponsible for the Opposition and the National Party to vote against a taxation measure. I am therefore going through an exercise to demonstrate that, on the contrary, it is irresponsible for the Government to impose the tax. There are plenty of opportunities for

the Government to save an equivalent amount of money rather than impose a further burden on the long-suffering motorist.

During the past few years, ample opportunities have been demonstrated to the Government of how it can save money similar to the amount it seeks by the Bill. The Government has been consistently irresponsible by strewing the taxpayers' money right and left across the State. To extricate itself from its financial difficulty caused in part by its own incompetence and in part by its whole-hearted support of the current Federal Government, the Government has turned to the motorist to bleed him even further. In that bleeding process, the Government will send an entire industry to the wall.

It has been demonstrated beyond reasonable doubt that fleetowners will not purchase their vehicles in Victoria; that they will do so in other States. Even if the 2 per cent increase were a 0·5 per cent increase, the Victorian Government would still be charging 3 per cent stamp duty, whilst none is charged in the Australian Capital Territory.

The community, the vehicle industry, the motorist, the consumers, the Labor Party and the National Party are opposed to the increase in stamp duty on motor registration fees. The Government ought never to have introduced the Bill.

Mr JASPER (Murray Valley)—The Bill puts at stake the future of the motor industry. I have been involved in the motor industry for more than 20 years and my family is still involved in the business at Rutherglen. It has been operating as a General Motor's-Holden dealer for more than 50 years. The motor industry is the second biggest employer in Victoria. In response to some of the interjections, my involvement in the motor industry in the past puts me in a better position to analyse the industry and provide facts and figures and background information as to the impact and the importance of the industry.

Other factors included in the Bill are proposals to increase the stamp duty on cheques and other aspects. However, the increase in stamp duty that will be applied to the transfer of motor vehicles and the registration of new motor vehicles is causing the most concern. It is worth analysing what has happened to the motor industry in the past so as to put the position in its true perspective.

Traditionally, the motor industry has been used as a ready-made means of raising revenue for both State and Federal Governments. Various Governments have used that method because the motor industry is one of the largest industries in Australia. The industry has been an economic indicator which has often been used to control the buoyancy of the economy.

In 1961, Australia's economy was running faster than the Federal Government would have liked. The Government raised the sales tax on motor vehicles from 30 per cent to 40 per cent for approximately three months in an endeavour to dampen down the economy. That proved to be a most effective method of controlling the economy. The sales tax was reduced back to 30 per cent. A similar method has been used in recent times to boost the industry.

The Federal Government reduced the sales tax on motor vehicles from 27·5 per cent to 15 per cent on the wholesale price of the vehicle in line with the 15 per cent sales tax charged on commercial vehicles. That rate of 15 per cent is the current applicable sales tax on motor vehicles.

Victorian stamp duty is imposed upon the all-up retail price of the motor vehicle, including sales tax. Therefore, the Bill, if passed, will become a tax upon a tax, which makes it all the worse.

In my opening comments, I said that the motor industry has been used as Australia's economic indicator. It has also been used as a buoyancy and dampening measure, depending upon the requirement. Circumstances have changed dramatically in the past two years. A world energy crisis has developed and there are fears that there there will be a shortage of fuel. The

Organization of Petroleum Exporting Countries have therefore been in a strong position to raise fuel prices and to obtain the prices sought. The extraction of higher prices has led to higher fuel prices in Australia, despite the fact that Australia is approximately 60 per cent self-sufficient in fuel production.

There has been a subsequent escalation in fuel prices, but that escalation needs to be examined in its proper perspective. The price of Australia's petroleum will have to rise to 35 cents a litre to match the inflation rate over the past 25 years. However, most of that rise has taken place in the past two years, especially in the past 12 months. Naturally, motorists have become more aware of the situation.

The Federal Government has imposed higher prices upon local crude oil. That measure is aimed at raising the price of local crude to world parity. I have questioned the Minister for National Development on some of the reasons for raising Australia's crude price to world parity. I shall mention some of those reasons because they assist one in analysing the general picture that is developing in Australia and especially Victoria's motor industry.

The SPEAKER (the Hon. S. J. Plowman)—Order! I do not wish to interrupt the honorable member, but the Bill does not cover the subject-matter the honorable member is talking to. It is in order to allude in general terms to the costs involved in the motor industry, but the honorable member has become rather too detailed in his reference to that section of the debate. I ask the honorable member to return to the Bill and to speak in general terms only on peripheral matters.

Mr JASPER—With due respect, I am trying to highlight the way in which the industry has developed over the past 20 years, especially the past 12 months.

The SPEAKER (the Hon. S. J. Plowman)—Order! That may well be the case, but I am asking the honorable member to make his remarks brief on the peripheral issues and to return to the Bill before the House.

Mr JASPER—The Federal Government has said that it wants to ensure that Australia does not operate in a false economy. The Minister for National Development has said that Australia should pay world parity price for fuel because that payment would help exploration and could be used as a revenue earner. The industry is now unsure of itself and the Bill, if passed, will lead to a major reduction in car purchases.

The community has witnessed the huge losses experienced in the retail sector on the sale of new and used cars because of the reduction in buying power within the industry. There has been a reduction in vehicle sales from some 500 000 units in the preceding twelve months to approximately 450 000 in 1979. We have a market of 600 000 vehicles to be sold in Australia, whereas probably the maximum sales figure is 450 000. The resultant competition is enormous, leading to a reduction in employment from the manufacturing area through to the retail sector and other areas involved in the industry.

This leads me to refer to an article which appeared in the *Age* recently. It was a news analysis on sales of vehicles. I shall quote one or two paragraphs because they are relevant to the attacks that have been made on the motor industry by the Government and the effects of those attacks on vehicle sales and the vehicle industry generally in Victoria. The article stated, *inter alia*:

> Victoria again turned in the weakest performance of the three maior States, adding to a sorry record for the seat of the motor industry.
>
> Daily sales were down 5·9 per cent in Victoria, from 593 in September to 558 units, reducing Victoria's share of the market to 25·5 per cent.
>
> . . . . . .
>
> The 3·6 per cent fall in the national daily sales rate followed falls of 3·4 per cent in September and 5·1 per cent in August and demonstrated the complete loss of the impetus that had raised hopes around mid-year.
>
> It now appears that the year will quietly fade out with total sales slipping from the modest levels reached in 1978.
>
> . . . . . .

Victoria's 2·5 per cent duty is already one of the highest in Australia and the proposed 4·5 per cent levy would put it way ahead of the pack.

It would also serve to push most of Victoria's commercial and fleet registrations over the borders.

Victoria already lags in the area of fleet registrations, with only 20 per cent of its total registrations coming from this source.

Victoria is supposedly the home of the motor industry, but the industry is uncertain where it is going today. As I see it, the Government has attacked the motor industry and is using it in a revenue-earning capacity. Over the past twelve months, the situation has been reached where no longer can the motor industry take the attacks that are being made upon it.

I invite honorable members to consider what has occurred over the past few months. The Government declared that it would drop road maintenance charges, a move which would cost the Government approximately $10 million a year in revenue. Some months ago the Government introduced a fuel levy of 4·5 per cent on the price of petrol, which amounted to 1·05 cents a litre, but which on the new scale will go up to 1·2 cents a litre. On my calculation, this will bring the Government approximately $60 million in a full twelve months. The Government is receiving an escalating income from the fuel levy of 4·5 per cent. The Government also agreed not to levy a road tax, which will cost it $10 million a year in revenue.

In addition, the Government introduced a Bill to reduce motor registration charges from 1 January 1980, a move which is estimated to cost the Government approximately $15 million a year. So, from an estimated income derived from the fuel levy of $60 million, the amount will be reduced by $25 million, leaving the Government a net gain of $35 million from the fuel levy.

The Government also introduced a Bill, which was supported by the National Party, to increase the surcharge on third-party insurance by 100 per cent, from $4 to $8, which is estimated to increase revenue by $8·1 million in a full year.

The Government is proposing to increase stamp duty payable on the transfer and sale of new and used motor vehicles from 2·5 per cent to 4·5 per cent of the purchase price, which it is estimated will increase revenue to the Government by approximately $40 million in a full year. The Government will gain approximately $110 million in increased revenue but will be losing only $10 million through road maintenance charges which will no longer be levied and $15 million from reduced registration charges.

Mr Maclellan—It could be $20 million.

Mr JASPER—It could be, but on my estimate, the loss is approximately $15 million on motor registration charges.

The proposed increase in stamp duty is 80 per cent, which is far too high and an increase which the industry cannot stand. The actions of the Government are nothing more than a straight-out attack on the motor industry.

I refer to a circular published by the Victorian Automobile Chamber of Commerce which contains comments relevant to the Bill. It stated:

We stated our total opposition to any increase in stamp duty applicable to motor vehicle sales, a move that will have far reaching and adverse implications for the Victorian economy and community as a whole.

The Minister has been given categoric reasons for removing this most serious threat to Victorian industry. It will jeopardize future employment throughout the state, reduce consumer demand, and result in a massive dislocation for retail outlets in Victoria and a subsequent shift to other States.

That sums up the situation confronting honorable members today. The Victorian Government has not come to grips with the reality of the situation which faces it. What I have tried to develop in my argument is the fact that in the past the industry has accepted the imposts placed upon it by both the Federal and State Governments and it has been able to bear those imposts and still flourish. However, in the past twelve months the situation has worsened, particularly during the past six months when the Government has made repeated attacks and placed further imposts on the motor industry.

I repeat that members of the National Party have been prepared to go along with the increases that have been suggested by the Government and put into effect in raising revenue to assist Government operations. But when it comes to this Bill, the National Party believes the Government needs to completely rethink its attitude, particularly in view of the effect it will have on the motor industry.

The quotation from the circular of the Victorian Automobile Chamber of Commerce highlights the actual position. What the industry is looking for is a lead from the Government on how it can assist the industry. The industry does not want to be attacked; it is looking for assistance so that it can go forward and ensure that Victoria remains the main seat in Australia of the motor industry, and the seat of future developments in the industry.

I shall now turn to an analysis of the position following the introduction of this measure. Its passage will result in further chaos in the motor industry, which is already floundering. I have mentioned earlier events and developments which have taken place and the attacks, which have been made and accepted by the industry in the past, by both the Federal and State Governments seeking to raise additional revenue. This measure will lead to a reduction in employment, and a rationalization of employment, probably in the retail sector where business will analyse their employment requirements and then reduce employment because of the reducing importance of the motor industry. In turn manufacturers will reduce their production levels.

One of the major manufacturers, General Motors-Holden's Ltd, has intimated that it will not make and hold a stock of motor vehicles. In the 1960s and even in the 1950s it would produce motor vehicles and hold them in stock to maintain employment, but it has categorically stated that it is not in the business of holding large stocks of motor vehicles and that, if it cannot retain its market share of the sales of motor vehicles, it will analyse its operations and estimate what sales market it can meet and reduce production and employment accordingly.

There will be a reduction in employment throughout the motor industry, from the manufacturer through to the retailer and in the support industries which are part of the motor industry. It has been suggested that more than 100 000 persons are employed directly or indirectly in the motor industry in Victoria and I have no doubt that there will be a continuing reduction in employment in the industry because of the continuing attacks being made by the Government.

I have spoken to numerous people in the industry and I can sum up this measure in two words, as quoted by a present leader in the industry as recently as last week, when he said that the motor industry is finished. He said the industry was finished in Victoria because of declining sales and a reluctance to undertake new development work. The industry will remain in a state of uncertainty until it can obtain more protection and assistance from the Government and not suffer the attacks which have been made on it in measures similar to this Bill.

I suggest that two reasons exist for the changes that have occurred in the motor industry. The first is a reduction in sales and no profits. If an industry is not profitable, it reduces employment and eventually it will go bankrupt and out of business, and it is because of that industry outlook that the motor industry is at the cross-roads. There will be a reduction in employment and many people will go out of business, not only in the motor industry but in other service industries, which in turn will lead to a deterioration of economic conditions in Victoria, which will not be to the benefit of Victoria.

My next point relates to the fact that Victoria has a higher rate of stamp duty than any other State in Australia, even prior to the proposed rise. In order to obtain a true perspective of the position, one needs to look at the comparable figures for stamp duty on registration and transfer of motor vehicles in the other States. At present Victoria's rate

of stamp duty is 2·5 per cent of the purchase price. In the Australian Capital Territory no stamp duty is payable. In Queensland it is 1 per cent, in New South Wales 2 per cent, in South Australia the average is approximately 2·5 per cent, which is similar to that in Victoria, and in Western Australia the stamp duty is 0·75 per cent. If those figures do not bring home to the Government the folly of what it is doing, the Government is beyond help and really needs to completely re-think its position. Victoria is already the leader in stamp duty charges on new motor vehicles and this measure proposes an increase of 80 per cent. Even with a smaller increase than the 80 per cent suggested in the Bill, Victoria will still be the leader, and the new impost will add impetus to the trend the motor industry has been following.

I would not blame anyone involved in the industry for completely removing themselves to other States to escape the imposts contained in this measure. Where possible, commercial operators will move from Victoria and shift into New South Wales, Canberra or other areas where the stamp duty is lower.

It has been estimated that some fleet operators generate 100 new vehicle sales a year and that they could save as much as $20 000 by registering those vehicles in another State, particularly Queensland. If I were a fleet operator operating in Victoria, I would immediately shift the whole of my motor vehicle purchases to another State.

If the Government is not aware of this prospect, it should take notice of my comments, because it is a matter of concern as the motor industry will be unduly affected if fleet operators shift to another State.

I refer to a further letter published by the Victorian Automobile Chamber of Commerce which highlights the problem in relation to fleet operators. The letter is dated 21 November 1979 and is signed by Mr John Collins, Executive Director of the chamber. He stated in his letter that 145 000 new vehicles a year are sold in Victoria. Of that number, 48 846 vehicles are sold by major franchises operating in the fleet market, which represents 33·7 per cent of the total car sales market in Victoria.

I again quote a small paragraph from the letter:

> It will be noted that these figures involve only the major franchise and the estimate that at least 35 per cent of the market goes to national fleets is not reasonable.

Thirty-five per cent of the total Victorian market is national fleet operation. The Treasurer looks at and analyses figures and must try to balance the Budget, but he would make the same decision as you or I would make, Mr Speaker, if he were in the position of a national fleet operator, and shift his operation to another State. We would not be prepared to wear an impost that would be higher than that of any other State and then perhaps take the consequences of the 80 per cent rise which is proposed in this Bill. That is outrageous and no doubt the opposition that has been expressed within the motor industry will need to be taken into account if the industry is to rise to its past prominence.

I remind honorable members that the motor industry is at the cross-roads. I am referring to the result of the proposals contained in this Bill. The cumulative effect should be examined. It is estimated that, in Victoria, 18 000 people are involved in retailing motor vehicles and that at least 15 per cent of those people will become unemployed over the next few months when the proposed legislation comes into full effect. That is an estimated 2500 to 3000 people. It may not sound many people, but when the cumulative effects on the industry are analysed, right back to the manufacturers, it is enormously important that the Government should take notice of the situation. Transport costs and costs of goods in Victoria will increase. Statistics show that Victoria is not expanding at the same rate as other States. Recently, we heard that the expansion in population in Victoria is at least one-third less than that of some of the other States of Australia, particularly Queensland, which has a continuing increase in population.

Victoria does not have the natural attributes of many other States. It does not have the rich mineral deposits of Queensland and Western Australia, which bring people into those States. Victoria must rely on secondary industry. It has cheap power and many other benefits to offer secondary industry, but it certainly will not have much to offer if the motor industry is attacked. Secondary industry needs stimulation.

Mr Simmonds—What about country people?

Mr JASPER—I will mention primary industry and country people in a moment because, being a country person, I am naturally interested in the effect on country people. The honorable member for Benalla will support me in this when he speaks on the Bill. He is a member of some nineteen years' standing in the House and has always been an advocate for country people and the satisfaction of their needs, more so than many honorable members who speak in the House. No one speaks to greater effect or more strongly on country matters than members of the National Party.

Mr Ginifer—What a lot of rot!

Mr JASPER—The honorable member should read *Hansard* and see what members of the National Party have been saying. Nobody understands country people better than country-based members of Parliament, particularly members of the National Party. We will always be fighting and working for country people and that is more than can be said for the Labor Party. Many members of the Labor Party and many back-bench members of the Liberal Party who come from country electorates do not often speak on these matters.

Honorable members have seen an attack on the motor industry. A comparison of Victoria with New South Wales will highlight what is happening along the border. I have spoken to many operators who live in north-eastern Victoria and they do not even purchase their petrol in Victoria at present because of higher fuel tax. It is unfortunate for Victoria that the New South Wales Government does not bring about uniformity with other States by introducing the fuel tax. It is unfortunate that there is a big difference in the price of petrol along the border. Many commercial operators and many people operating motor vehicles purchase their petrol and supplies in New South Wales. They are not paying the fuel tax that is imposed in Victoria. That unfortunate situation will again worsen with the introduction of this increase in stamp duty on the registration and transfer of motor vehicles.

A short time ago an honorable member interjected, "What about country people". Country people are most affected by any impost on the motor industry. It is unfortunate that Australia is a large country with a small population and, generally speaking, poor public transport for people living in the country. This makes motor vehicles imperative. It is absolutely essential that country people have motor vehicles and any impost on the motor industry affects country people more because they must use motor vehicles and obviously must pay these imposts. The increase in stamp duty on motor vehicles proposed in this Bill will certainly affect people living in the country.

The increase in the State taxation in Victoria compared with that in other States is also worth mentioning. Some figures have been produced to me. They refer to the period, 1978-79 to 1979-80. Over the twelve months the increase in State taxes in Victoria has been 14 per cent. That is a 14 per cent increase in taxes imposed by the Victorian Government. The figures for some other States are interesting. Tasmania is the only State that has an increase of more than 10 per cent in State taxes, with a 10·7 per cent increase. New South Wales has an 8·7 per cent increase; Queensland, 7·2 per cent; Western Australia, 6·9 per cent; and South Australia has the lowest increase of 5·4 per cent. I reiterate that Victoria has the highest, with a 14 per cent increase.

I notice that the Treasurer has been listening to my comments. I shall be interested to hear what he has to say

in reply, particularly to the fact that there will be an 80 per cent increase in stamp duty which will be the highest in Australia. I do not believe the Treasurer has any answer to that comment or to many of my comments.

I also mention the increase in the departmental vote and compare 1978-79 with 1979-80. The increase in the departmental vote in Victoria is 13·05 per cent.

The SPEAKER (the Hon. S. J. Plowman)—Order! This may be interesting but it is within the terms of the general Budget debate. I ask the honorable member to return to the Bill.

Mr JASPER—I accept your direction, Mr Speaker. I conclude by comparing Victoria with one or two other States. I will bring my remarks back to the Bill in a moment and clearly show that these increases have an effect on the measure. The increase in the departmental vote in New South Wales is 12·8 per cent, which is almost approaching Victoria's. However, in South Australia the increase in the departmental vote is 3·53 per cent. It should be remembered that South Australia, like Victoria, had a deficit of $6 million in 1978-79. A cut in departmental spending is necessary. Some months ago the Premier said he wanted all Government departments to cut their expenditure by 4 per cent but there has been an over-all increase of approximately 13 per cent. If those cuts had been carried out the increases and the imposts on the motor industry may not have been needed.

Motorists can no longer be used as revenue-producing machines. The motor industry needs a positive stimulus in Australia, particularly in Victoria which is the headquarters of the motor industry. The motor industry should not be attacked. This type of legislation is an attack on the industry and that is quite wrong. I am disappointed that in the past the motorist and the motor industry have been apathetic. They have allowed these imposts to be made on the industry and they have accepted them. They have been able to do so because the industry has been booming throughout Australia. That situation has definitely not applied in the past twelve months for the reasons I have stated. They are the change in the availability of fuel, the increase in the cost of fuel, the shortage of fuel throughout the world, and the imposts that have been made by the Government through the Budget and in the Bills that have been passed by Parliament. The industry cannot accept any more imposts.

I hope and trust that the Treasurer will analyse this Bill because, mark my words, the motor industry is at the cross-roads. It will degenerate and go backwards because of this legislation and many people involved in the industry, particularly in financing vehicles, who are being carried by finance companies and others, will have their backs to the wall and will go out of business.

Members of the National Party are opposed to the Bill in its current form. We trust the Government will have a change of heart which will assist the industry to go forward and bring future prosperity.

Mr MACLELLAN (Minister of Transport)—Honorable members may not remember, but, if they re-read the remarks of the honorable member for Murray Valley, they will find hidden away the suggestion that from time to time a number of remedial measures have been taken by the Federal Government to stimulate, encourage and assist the motor industry. In this debate, honorable members are now faced with the strange and unusual situation of the Labor Party Opposition jumping on the motorists' bandwagon and being all in favour of motorists, the sale, promotion and distribution of cars. Apparently forgotten are all their commitments about urban traffic snarls and the sorting out of all those things, because they now wish the Government to recile from an increase in an impost which might have another effect, the damping down of car sales. Therefore, there is a change of heart.

The whole argument put by the honorable member for Murray Valley was that this impost was about to have the most diabolical effect on the sale of

cars in Victoria. I take it that the honorable member for Knox also takes the view that the impost will have an impact on the sale of cars in this State. The honorable member for Murray Valley has blown up the case and then attempted to knock it down. Of course, he was not as kind as the honorable member for Knox who said he foreshadowed—or fore-ordained something that was about to be foreshadowed—an amendment which would reduce the impact of the increase. I must say that the Treasurer has done his darndest to discuss with the industry the possible effects of this measure. However, if the remarks of the honorable member for Murray Valley are to be taken seriously—I do take them seriously—when he says that the motor industry is finished, is at the cross-roads, and is in a dreadful situation, how does he explain all this in terms of the remedial measures—the kindly remedial measures—taken by the Federal Government to assist the industry?

How does the honorable member for Murray Valley explain how this is happening before the measure has any impact? His argument is that this is the straw that will break the camel's back. No analysis was made of the impact of any of the earlier measures, why fleet patterns have changed, why no stamp duty is imposed in Canberra whereas Victoria imposes a 2·5 per cent stamp duty, or why suddenly there will be a flood of people going to Canberra to register motor cars. Apparently the imposition of a 2·5 per cent stamp duty has been tolerated in the past but a further increase will not be. The honorable member has advertised the fact that everyone should go over the border to buy a car. One would have thought he has not done his own family a service, let alone the industry, by drawing attention to that fact.

I do not doubt that, when the Treasurer introduces amendments, he will cover the situation and welcome those purchasers to Victoria with a tax when they try to get the cars across the border. That is important. If cars are purchased and registered interstate, the Country Roads Board, which relies on the income from registration fees to build roads, will not receive this income. That is an impelling reason to encourage the registration of motor cars in Victoria. The Government wants registration in the State of origin or use. The Government would abolish this tax if the New South Wales Government agreed to join the fuel tax scheme, but that State is having difficulties politically in doing so at the moment. I understand that my colleague, the Federal member for Gippsland, is to be promoted to the portfolio of primary industry. This move may result in Victoria receiving more Federal road funds—perhaps a change of emphasis if not of policy.

The honorable member for Knox has foreshadowed that the increase will be 0·5 per cent for new vehicles and 1·5 per cent for used vehicles. His contribution was a welcome breath of fresh air to the second-reading debate on a Bill soon to be amended. I will not pursue the matter at this stage. It does not assist the industry to point out every scheme that might be used to avoid the payment of duty without any explanation of what has been tolerated to date. It is apparently of no great help to the industry, because the honorable member referred to the industry as being finished—at the cross roads. I can only say that this very important lobby has been able to make its voice heard and to get the Opposition to do a somersault——

Honorable members interjecting.

The DEPUTY SPEAKER (Mr A. T. Evans)—Order! I ask honorable members to cease interjecting. I do not intend to allow the honorable member for Knox to disregard my appeal for order and to continually interject. I ask the honorable member for Knox to come to order.

Mr MACLELLAN—Mr Deputy Speaker, I apologize because I might have provoked the honorable member for Knox by saying that the Labor Party has done a somersault on transport strategies which will not discourage the use of cars. Nevertheless, somersaulted it has. The National

Party, for all its concern for a moderate situation, has sought to overemphasize the case to the point where no explanation is given of why the industry is suffering before any increase is imposed. No attempt was made to measure the impact of the previous Bills on the industry.

When the honorable member for Murray Valley mentioned a State fuel tax, he made little, if any, balancing comment about the impact of overseas oil prices. If he is saying that this is just another burden and the straw that will break the camel's back, that argument can be appreciated, but when he does not really emphasize the other aspects which have a far greater significance to the industry, he does a disservice to his argument.

The Treasurer has done his best, given the constraints placed on him, to raise revenue for precious things like subsidies to irrigators, State Rivers and Water Supply Commission works or all of the other things that are near and dear to the honorable member for Murray Valley. When it is a question of raising money, the first thing that is said is that the motor industry must not be touched. It is always a question of balance. Balance cannot be achieved by the proposal suggested by the honorable member for Murray Valley, which is presumably to have no increase but to cover the matter in some other area which was not nominated. The honorable member for Knox was helpful because he at least based his remarks on the reality of the amendment which will be moved by the Treasurer. I thank him for that attitude, but repeat that, for whatever reason, the Australian Labor Party has done a somersault on its transport strategy.

Mr WALSH (Albert Park)—The Minister of Transport says that the Opposition is jumping on the bandwagon with the motorists. I have been a member of this House for only six months and, in that time, two Bills have been debated which have resulted in motorists being fleeced. The price of petrol was increased by the imposition of a fuel tax to subsidize heavy road transport. The Opposition totally opposed that increase, as it totally opposes the proposed increase in stamp duty on the transfer and registration of motor vehicles. The Bill places a further burden on the motorist.

The Opposition is concerned about car yards going out of business because that will create unemployment. The Labor Party wants full employment to prevail in Australia. The Opposition and the honorable member for Murray Valley say that 15 per cent of workers in the motor industry will join the queues at the Commonwealth Employment Service. That concerns the Opposition. The Government does not impose increases in small doses; it increased the third-party insurance surcharge by 100 per cent and proposes to increase stamp duty on the registration and transfer of motor vehicles by 80 per cent. A person who buys a motor car will have to pay an additional $20 in stamp duty for each $1000 of the cost of the vehicle. That will force people to hold on to their cars for a longer period. People will not be able to afford to buy new cars because of the proposed increase.

In a full year, the Government will gain $100 million in revenue from increases imposed on the motorist by Bills introduced in the autumn and Budget sessions of Parliament. The Government milks the motorist like cows. The increase in the price of steel, which occurred last Saturday week, will add $30 to $40 to the cost of a new motor car. The business section of the community will not pay for the additional stamp duty. The man who buys a motor car will pay.

The motor industry employs 100 000 people and further taxes will result in a decrease in the number employed in that industry, which will add to the queues at the Commonwealth Employment Service. The honorable members for Knox and Murray Valley referred to costs in other States. Stamp duty in Victoria is higher than in any other State in Australia. This year, the New South Wales Government has not increased any of the taxes on the motorist. What

has the Victorian Government done? On two occasions, the Government has imposed increases, one on third-party insurance and one on stamp duty so that motorists will have to pay additional costs.

I have received many telephone calls from workers asking about this measure. I have not hesitated to tell them that the Opposition will oppose it, and that there should be no increase in the stamp duty on the transfer and registration of motor vehicles. This year the Government will receive $125 million from motor car registration fees, $190 million from third-party insurance premiums and more than $80 million from stamp duty.

The honorable member for Murray Valley said that $35 million would be derived from the petrol levy in a full year; I expect that it will be $60 million. The Government will receive $16 million from the surcharge on third-party insurance premiums and $32 million or $34 million from other levies. The over-all revenue obtained from Victorian motorists will be $500 million. The motorist will continue to suffer because of the inability of the Government to efficiently finance the running of the State.

The Government should realize that motorists are people, and they must pay the high cost of owning a motor vehicle. Soon people in Victoria will buy fewer motor vehicles because of the proposed increase of 80 per cent in the stamp duty on the purchase or transfer of a car. It is a massive increase, and people will not be able to afford to meet it, so the declining trend in the motor industry will continue. The sales of motor cars are down now and will continue to decline in the next year. This will continue until the Government is changed and those on this side of the House are sitting on the other side of the House.

Mr TREWIN (Benalla)—This Bill is controversial, and I am concerned about its ramifications on a number of constituents of Benalla who have contacted me. I voice the concern of these people, who come from all walks of life and are involved in all sections of industry; they are country people, and I would be failing in my duty as a representative of a country area if I did not speak on their behalf.

Recently a car salesman from Benalla who sells both new and second-hand cars and whose family are dedicated Liberal Party supporters told me that he was becoming a tax collector for the Government, because the price of cars including sales tax and other charges is already high and he will now have to ask for additional stamp duty. He said that it was bad enough at present, but the additional charge of 2 per cent which is proposed would make his position more embarrassing than it had been in the past.

The honorable member for Murray Valley told the House about the impact this measure will have on the industry in general, on the production, wholesale and retail sales of motor cars. The effects will start at the factory level and spread to every corner of the State; the measure will affect the production, wholesaling, retailing and servicing of motor cars in many ways.

A reduction of even only 3 per cent in the sale of motor cars can have a definite effect on the economy. The Minister of Transport referred to the difficulty of obtaining funds for the Country Roads Board and from the Federal Government. I have always believed the Federal tax should be more strongly reflected in the economy of the State, and particularly in the funding of the Country Roads Board. Not enough money from petrol tax is put back into road building, particuarly in rural areas, because Victoria is a small State with its population concentrated in the Melbourne area. It has a network of roads going out from the city, and these are chock-a-block with people leaving the city for the weekends and with produce being brought into the city from the outer areas during the week. This causes heavy wear on the roads during the week and throughout the year. The Minister asked what the Government would do with some of its departments if it did not receive these funds. Some of the departments should wake themselves

up and spend their money more wisely, and I refer to the State Rivers and Water Supply Commission, the Lands Department and the Forests Commission. The men out in the scrub and on the land are doing their jobs and not getting enough support from those departments and the Ministers in charge of them.

I have been a member of Parliament for many years, and have noticed the decline in the dedication of Ministers for their jobs. Over the past three years much has been said about the maladministration of departments, and most of it has been brought on by lack of dedication from the top, and the top person is the managing director in the Parliament. I will make that statement outside as well as inside the Parliament.

Motor registration fees were increased a few years ago and the revenue gained from this increase was placed in the Roads (Special Projects) Fund. That fund has now disappeared; I do not know what has happened to it. We cannot find out whether it contains any money and, if it does where it is being spent. It has gone into a hidden area. A certain amount is being paid as an impost on registration and we will not know where it is being used. Where will the new money be spent?

Someone asked if it would be better for some hospitals not to be built. I have heard that statement made every year in the House, but one would be surprised at the handouts that are made at election time in doubtful seats held by members of the Liberal Party. I have seen this happen for a long time and I am not afraid to speak about it.

At the week-end I met a transport operator who asked me what the new proposed taxes were. He said he knew motorists were paying Federal petrol and other fuel taxes and that some of the money was received back by Victoria, but he asked about the proposed increase in registration fees. This young man from Benalla of good family standing has been involved in the trucking industry for about nine years. He drives a 15-tonne truck which carries about 35-tonnes and he complies with the load requirement, and has registered his truck in New South Wales. He operates between Albury and Melbourne and fills his fuel tank in New South Wales with enough petrol to go to Melbourne and back.

One petrol distributor in Benalla has lost one-third of his custom because so few transport operators—and there are thousands of them on the Hume Highway between Melbourne, the border and Sydney—now stop in Victoria to fill their fuel tanks. That is a reflection of the impact of the Government's activities on the motor industry.

This transport operator was fined $70 for exceeding the speed limit, and his licence was suspended for one day by Wodonga Magistrates Court. He had to employ a driver for two days at $65 a day because the shift went from 12 noon one day until 12 noon the next, and this was because he broke certain rules that apply in Victoria, whereas in other States the requirements are not so stringent. These are areas where funding comes from the motorist, and I just mention that matter in passing.

A VicRail freight operator who works from Mansfield and deals with freight from the north-eastern line informed me that under the new impost he will have to pay nearly $300 more than when he was paying road tax, so the people in the motor industry are carrying the burden of these increases. The effect in the commercial field is that the consumer will pay. Within five years the small operator will be phased out and only big operators will be in business; they will increase prices to suit themselves, and the consumers will pay, particularly in the country.

I pay freight on wheat and wool to Melbourne and from Melbourne back to the country on the packets of Weeties and so on that are sent to the country from the city. Country people pay both ways, and I forecast

that because of these imposts some single operators will have disappeared within five years.

Another section of the Bill provides that stamp duty on cheques will be increased from 10 cents to 12 cents. It is probably not a large impost, but I use a few cheque books in a year, and I will have to pay the increase. This is one of the ways in which we keep pace with inflation, but Heaven help us in ten years' time.

The DEPUTY SPEAKER (Mr A. T. Evans)—Order! The honorable member has had much liberty in making his speech because I realize that the House is very interested in his comments and the way in which he has presented them, but on this occasion he is well and truly outside the ambit of the Bill.

Mr TREWIN—The Bill contains a clause that refers to stamp duty on cheques. I shall conclude by saying I had to buy a cheque in my bank recently and the bank manager told me that I was being "got at" again.

If I thought country people were receiving value for their dollar despite these increases, I would be a little happier than I am, but when I see new buildings being constructed in the metropolitan area, I hope the people who live in the city will enjoy these facilities because I assure them that it will not be long before country people will not be able to afford to come to the city.

The sitting was suspended at 6.15 *p.m. until* 8.4 *p.m.*

Mr COLLINS (Noble Park)—It is a shame that the honorable member for Murray Valley is not in the Chamber. I hope he returns because I should like to continue his submission about the effect of the proposed increase in stamp duties on the motor car trade.

No honorable member has failed to reach the position of realizing that the proposed increases are the cause of considerable concern to the motor industry and may lead to a further decrease in sales next year. Some indicators suggest that the total volume of new and used vehicle sales in early 1980 will be significantly lower than sales this year. I suggest that the sector of the market which should receive the most concern is that of commercial vehicles because in the first nine months of this year commercial vehicle sales were down compared with every corresponding month of the previous year. According to the latest statistics of the Victorian Automobile Chamber of Commerce the average drop in commercial vehicle sales for the first nine months of this year was 13·9 per cent.

Recently I represented the Minister of Transport at the opening of the Truck and Bus Show at Sandown. The meeting was held just after the Budget was brought down. Strong concern was expressed by the trucking fraternity at the effect of the proposed 2 per cent increase in stamp duty on what is at all times a difficult market. When one is talking in terms of prime movers and ancillary equipment of the order of $100 000 a unit, one finds that the proposed increases, if they stand, will lift the price of a unit by about $2000. It would have been fair to assume that any major fleet owner would be better off acquiring his fleet somewhere else.

However he would not go to South Australia because there the stamp duty on heavy trucks and commercial vehicles has been approximately 3·9 per cent since 1975. The suggestion that with these increases Victoria would become some kind of pacesetter is unfounded. I imagine that this was one reason why South Australia, amongst many other reasons, returned a Liberal Government recently. The previous Labor Government failed to recognize many economic indicators in the community. For four years the effective stamp duty in South Australia has been close to 4 per cent. Since 1975 it has been 3 per cent on low-priced motor vehicles to the value of $6000, and 3·4 per cent on vehicles to the value of $10 000 and on a $100 000 transport rig the rate is 3·94 per cent.

Although I was not enamoured with the fact that Victoria proposes to raise its stamp duty rates, I believe that to say Victoria was setting a pace

throughout Australia is not true. The volume of sales of motor vehicles, both new and used commercial and passenger vehicles, largely rests in the two main States—New South Wales and Victoria. Victoria is fortunate in having a strong section of that industry within its boundaries and I believe the motor vehicle manufacturing industry will continue in Victoria. The suggestions of the honorable member for Murray Valley after his discussions with somebody in the car trade border on lunacy. He is a car dealer and it is a shame that he is not in the House because I am sure he could inform honorable members that his sales ratio would have risen significantly. The one area in which passenger vehicles have been selling at higher levels than elsewhere is in rural Victoria. In its latest journal the Victorian Automobile Chamber of Commerce stated simply that rural Victoria was holding up the car industry at this time.

The most significant downturn of sales has been in Melbourne, but even until the end of September those sales levels were 4·8 per cent higher than the previous year's figures. Over the whole passenger vehicle market in Victoria until the end of September there was a small over-all increase—close to 1 per cent of sales. That is not a growth figure of any consequence, but it gives the lie to some of the arguments put forward over the past few weeks by well-intentioned and concerned members of the motor trade.

To me the best members of the motor trade in a sense are the used car dealers, and I naturally have a strong leaning towards them because it is their integrity and private enterprise philosophy that keeps the new car trade rolling. There are no subsidies in the used car trade. I do not know one used car trader who has ever sought a subsidy. When members of the National Party refer to all the needs of the rural community and to how the Government fails to respond at different times to those needs, I seriously question their integrity because used car dealers throughout Victoria have not received or asked for subsidies. Either they make it or they do not. I do not know one used car dealer who expects it any other way.

Part of that business is the used car auctions where cars are exchanged on a dealer-to-dealer basis and sometimes on a dealer-to-public basis, although the level of those sales to the public should give honorable members some concern because the cars are sold without guarantees. There are no guarantees in the auction system. Be that as it may, the used car trade sets its own level of prices.

The proposed increase in duties is too severe a penalty on an industry which is vital to our State and to Australia. There is no question of that. However, to suggest that the foreshadowed increase has resulted in the sales in October and November stumbling as they have, is not true.

Claims have been made by the Executive Director of the Victorian Automobile Chamber of Commerce, Mr John Collins—we are not relatives; I can assure honorable members of that —that approximately 50 000 fewer new vehicles will be sold next year if the Government proceeds with this measure. In a letter to the Treasurer, a copy of which was kindly sent to me after some effort to obtain some figures from the Victorian Automobile Chamber of Commerce, Mr Collins said, firstly, that fleet buying will almost certainly be affected in States such as Victoria. He said the proposed Government measure would rob these dealers of approximately 35 per cent of their potential market. He went on to expand that and say that it represented some 50 000 new car sales. That is an argument without foundation.

The biggest concern has been expressed by the used car trade and the new car dealers who represent their colleagues on the Australian Automobile Dealers Association, Victorian Division. I agree that what should be sought is a growth in sales. The Government should be trying to help develop that growth in sales which, in turn, would produce greater income. This could be achieved by lower levels of stamp duty, which has not been proposed so far.

The Government's arrival at its decision is symptomatic of the way in which Governments have looked at certain industries from time to time and said, "Can we derive an income we need from there?" It was decided to obtain additional income from the motor vehicle industry.

Mention was made of keeping the level of sales at that of the previous year. That means that there would be no growth. The forecasts are that the level of sales could fall slightly. I believe they will fall in two areas. They have been falling in the commercial sector and they will continue to fall there. They have also fallen significantly in the expensive car market area because of the recent decision of the Federal Government to change the prices at which people can beneficially lease expensive motor vehicles. Philosophically, one could say that the proposition put forward by the Federal Government is more than acceptable. It certainly is acceptable to me in its relationship to the average man in the street who has not the capacity to gain major taxation deductions against his vehicle because he is not in a field that would enable him to do so. Professional people and company people and so on can avail themselves of this significant taxation benefit. However, let us consider most of the vehicles concerned. Virtually all of them are imported.

If one takes a Mercedes-Benz, for example, which might cost $80 000, one finds that of that amount, $40 000 has already gone in taxes and duty and on the day the car is sold the Federal Government receives cash in hand from the person who buys or leases the car. The $40 000 paid to the Federal Government is used to carry out works and services. The depreciation component would have been no more than $36 000 or $37 000 on a $80 000 vehicle over a three-year period. The Federal Government should think this matter through again, no matter how strongly it believes in the philosophy or the argument about the level at which motor vehicles can be leased to gain the maximum tax deductibility. It must reconsider the decision because the decision will mean a further cut in sales. Sales were cut by 35 per cent in the first two months since the operation of this provision and they are now down to about 50 per cent of the previous level. Sales will continue to fall.

Another reason why there should be concern about this matter is that although these expensive motor cars are imported and not many people are involved in the handling of the vehicles up to the time of sale, many people are involved in the servicing and after-sales servicing of the vehicles. A continuing back-up service is required for these vehicles and that servicing employs a lot of people. The Government must be concerned with the over-all employment statistics in the motor vehicle industry.

Mr Remington—Are you supporting the Bill or are you against it?

Mr COLLINS—I am supporting the Bill and pointing out that the Treasurer has gone out of his way to give honorable members on the Government side of the House every opportunity of talking with people in the motor trade. It would have been difficult to stop us, but we were given every opportunity. We discussed the Bill with the Treasurer at some considerable length.

At the forthcoming Premiers Conference I ask the Treasurer to keep in mind in his discussions with the Prime Minister the facts I am putting forward. As everyone agrees, Victoria gets the short end of the stick in the disbursements of Federal taxation. The motor car trade recognizes that. Mr Lindsay Heath, the President of the Victorian Automobile Chamber of Commerce, said in a letter to the Treasurer dated 22 November:

> I have thought very deeply about your concern in replacing revenue lost and in making up for the patently unfair deal that Victoria receives from the Commonwealth Government in relation to State grants, etc.

If everybody keeps saying it, we might get the message through. We are all pleased that the Prime Minister is now back on his feet and is well. I hope he is going to the Premiers Conference with a fairly full purse or with something in lieu of it and that on Friday,

when the Treasurer meets with the Prime Minister, the Treasurer will reinforce most strongly the arguments Mr Heath has put forward. I am aware that it is also the Treasurer's view that Victoria is getting the short end of the stick in the amount of Federal revenue it receives.

The Federal Government, in listening to the Industries Assistance Commission, has sadly misjudged the needs of the motor industry. Only recently the Federal Government instigated a further inquiry into the needs of the industry and the kind of support that should be provided to it from 1984 on. Therefore, for the honorable member for Murray Valley to suggest that the industry is virtually finished, that it is on its knees and at the cross-roads, is sheer bunkum.

Those who are deeply involved in the industry—the manufacturers of motor vehicles and the major dealers—all realize that the industry is by no means finished. It could flourish in ways never before dreamed of if a number of simple steps were taken. Although the Minister of Transport has suggested that the Treasurer will propose amendments to the Bill, I realize I cannot discuss them at this time.

Mr Remington—Are you in favour of the 4·5 per cent?

Mr COLLINS—No, I am not, and when the increase became apparent after I read the Budget, I spoke to my colleagues in the car trade. They put it quite simply, particularly the truckies. I asked for a meeting with the representatives of the Victorian Division of the Australian Automobile Dealers Association, who are a fairly switched-on set of characters. They are all involved in private enterprise. They include Mr Warren Smith, the vice-president, Mr Graeme Holmes, the president of Holmesford Pty Ltd, Mr Lindsay Heath, the President of the Victorian Automobile Chamber of Commerce and Mr Noel Tishler, the President of the Used Car Dealers Division. I sought the meeting for middle or late October, but it was not held until 13 November. I joined a group of gentlemen for a lunch-time session at the Victorian Automobile Chamber of Commerce and it was extremely interesting. We talked about the way in which they saw stamp duty as affecting their sales and various points of view were put forward. The over-all view was that at present it was a pill that was a bit difficult for them to swallow because they could not pass on any further additional costs, and sales in certain areas were falling.

I agree with them because the figures bear out what they said, although not to the level suggested by Mr Collins. If sales of new vehicles decrease by 50 000 next year, half the jobs in the motor industry will disappear. The industry will fall apart at the seams. I discussed the figures with the Secretary of the Victorian Automobile Chamber of Commerce—I do not want to put him in too far—and he agreed that the argument advanced by Mr Collins was a little far-fetched. However, that is the sort of argument that has been appearing in the newspapers recently.

The traders present at that meeting suggested a number of other courses of action the Government should take to help them in increasing sales. My attitude would be: Let us give them some backing and try to increase the level of new and used motor vehicle sales. This could be achieved, firstly, by a reduction in the proposed stamp duty and, secondly, by the compulsory annual inspection of motor vehicles for roadworthiness, particularly vehicles within certain age groups and categories. I have always believed these tests are necessary, although I do not agree with the view of the Victorian Automobile Chamber of Commerce that they should necessarily be carried out under the existing form of testing operations. I should like the Government to consider establishing a series of Government testing stations or to ensure that testing is carried out by "A" grade automotive engineers, who would, by virtue of the testing, remove a significant number of unroadworthy vehicles from Victoria's roads.

Mr Crabb—This has nothing to do with the Bill.

Mr COLLINS—It has a lot to do with the Bill. I am talking about the health of the motor vehicle industry. If 40 000

or 50 000 new and used motor vehicle sales could be produced in Victoria over one or two years as a result of the compulsory testing of vehicles, it would be healthy for the motor trade and for the people of Victoria because it would be safe to drive on the roads. The Road Safety and Traffic Authority may suggest that the number of road accidents is not significantly contributed to by unroadworthy vehicles.

The SPEAKER (the Hon. S. J. Plowman)—Order! The honorable member's remarks are becoming irrelevant. I ask him to return to the Bill.

Mr COLLINS—I will return to the Bill, but I am expressing my concern about the future viability of an industry that is vital to the future of Victoria.

The most labor-intensive part of the car industry is in the service and after-sales service area. In 1971, according to an independent report submitted by the Chamber of Automotive Industries of New South Wales, at the recent hearing of the Industries Assistance Commission——

The SPEAKER—Order! It is in order for the honorable member to deal, in passing, with matters related to the industry that do not deal directly with the Bill, and the honorable member has been doing that for some time now. I ask him to return to the Bill.

Mr COLLINS—I am trying to put forward a few thoughts that might be of benefit to the industry that is involved in the Bill.

The SPEAKER—Order! The grievance debate would be more appropriate.

Mr COLLINS—As a former motor car trader, Mr Speaker, I appreciate your ruling. I was attempting to answer some of the points made by the honorable member for Murray Valley when you were absent from the chair, Mr Speaker, and that honorable member spoke strongly about the effects of actions taken by the State Government and the Federal Government on the motor car industry.

Taken in isolation the stamp duty proposal could not destroy or break down the motor vehicle industry, but it is a component of the problems facing the industry at present.

Mr Jolly—It adds to their problems.

Mr COLLINS—That is right. The Treasurer has gone to great lengths over recent weeks to discuss solutions with the motor vehicle industry. What I am suggesting is that, in conjunction with the solutions the honorable gentleman has arrived at, he should examine a number of other matters because they are related to the health and well-being of the motor vehicle industry.

At present 65 per cent of all people involved in the motor vehicle industry are engaged in servicing and providing after-sales service. Their jobs will be in jeopardy if sales decrease. Thirty-five per cent are involved in the manufacturing side of the industry—the manufacture of the vehicles and parts. It is clear that the Industries Assistance Commission, all levels of Government, including the State Government, and all Government bodies, should be examining ways and means of increasing sales levels for both new and used vehicles and not decreasing them. If the sales level is increased, greater income will be obtained and taxes will not have to be raised.

In 1978 the sales tax on motor vehicles was decreased by 12·5 per cent, from 27·5 per cent to 15 per cent. That led to a controlled boost in sales for some months. Even if the State Government had abolished stamp duty on new motor vehicles, it would not have had anywhere near the effect of the reduction of the sales tax by 12·5 per cent in 1978 in boosting the sales of new vehicles.

It is most inappropriate, particularly in the commercial section of the industry, for this increase in stamp duty to take place at this time. The trucking industry is part of the backbone of the motor vehicle industry. It is facing enough difficulties without our adding to its problems. The sales ratio is down by aproximately 13·9 per cent every month this year and it looks as though it will get worse. Added to the drop in the sales of expensive motor vehicles, which have already dropped by half, that is bad enough, but the Government

is now going to impose an increase to 4·5 per cent in stamp duty. Getting 4·5 per cent of nothing is the same as getting 2·5 per cent of nothing.

For every two Mercedes being sold twelve months ago, one is now being sold and the forecast is that for every three sold twelve months ago, one will be sold by early next year.

Every level of Government revenue raising will suffer. The Federal Government will lose import duties. The State Government will lose stamp duty and, more significantly, registration fees. I urge the Treasurer, no matter what steps have been taken in this matter to date—and the Treasurer has given his colleagues the opportunity to come to him with submissions on the matter and has listened to the industry and the industry will support him—to suggest with the greatest urgency that the State Government must have an input into what is going on at the Industries Assistance Commission in Canberra over the future of the motor vehicle industry. If the State Government is not putting any submissions to the inquiry, it should.

When the Treasurer speaks to the Prime Minister at the end of this week, he must set out the facts clearly. He must explain the effects the leasing proposals of the Federal Government are having. It does not matter what is right or wrong in the philosophy about the capacity of one man to gain a tax deduction while another cannot, that measure will result in a tax loss to the Federal Government and the Victorian Government and will result in jobs being lost.

At the meeting with the eighteen dealers, during a quick discussion around the table it was revealed that 160 jobs had been lost in their businesses in the previous six months. Only one of them intended putting on an apprentice next year. That is a sad state of affairs in the motor vehicle industry.

I urge the Treasurer to go back to the motor vehicle industry and tell the industry that the Government is prepared to back whatever it is doing.

Mr Collins

It has been said before that there is a need to take young people into the motor industry, because otherwise within five years there will be no skilled tradesmen.

The product of the individual organization also has a part to play in overall sales. Currently in Victoria, a General Motors-Holden's Ltd dealer in the area I represent is "burning", in the vernacular sense. This dealer says that he is expanding as fast as he possibly can. He is about to treble the size of his workshop and is putting on additional employees. He is selling every car he can get hold of. However, at the same time he is reducing his used car stock by one-third because he recognizes that early next year he could have problems. Ford Motor Co. of Australia Ltd is going through the doldrums at the moment and General Motors-Holden's Ltd has been marketing most successfully. It is not just a case of this stamp duty measure. The marketing capacity of an individual trader has much to do with it.

The honorable member for Murray Valley, being a General Motors-Holden's Ltd dealer in his own right, has not suffered any real loss. I ask the Treasurer to look at the other areas and try to provide positive measures that will increase sales and not just think of holding the line.

Mr AMOS (Morwell)—For the past 30 minutes or so the House has been hearing reasons why the honorable member for Noble Park ought to support the Opposition and the National Party and oppose this Government Bill. He has not given one reason why he ought to vote for the Government party on this iniquitous measure. This Bill imposes an 80 per cent increase in stamp duty. It increases the rate from 2·5 per cent to 4·5 per cent, and this represents increased revenue to this Government of $40 million to $45 million in a full year. It means an overall impact on the motorist of Victoria, and also on a very delicate industry at a time when there are rapidly increasing costs in imported crude oil and availability problems.

As I said, this Bill represents an increase in revenue of $40 million to $45 million a year. This added to the petrol levy that was introduced by the Business Franchise (Petroleum Products) Bill, which will collect $60 million from the motorists of Victoria in one year, and an expected increase in third-party motor insurance of $40 million, an increase in the Government surcharge thereon of $8 million, amounts to an additional $153 million, that Victorian motorists will have to pay as a result of this Government's taxing measures. Over-all, Victorian motorists will pay approximately $500 million a year in fixed standing charges on motor vehicles.

I ask honorable members to total that sum, together with $4000 million that this Government's colleagues in Canberra has taken from Australian motorists in its excise and taxation policies, and it will be seen that amounts to a significant sum.

I am glad the Minister of Transport entered this debate, simply because I want to remind the Minister of the remarks that he made during the passage of the Business Franchise (Petroleum Products) Bill earlier this year. The Minister tried to claim credit for a fuel conservation measure and made the claim that this petrol tax the Victorian Government was to impose on Victorian motorist would encourage motorists to save scarce, transport fuel.

I am not going to take much of the time of the House, but I wish to give an example of what this increase in stamp duty means to that policy, the one which the Minister was so glad to talk about when he introduced the other Bill. There is no doubt that the effect of this type of cost structure is that once an investment is made in a car, there is an inbuilt encouragement to use it. There is no incentive to leave the motor car at home and to use public transport—if public transport is available.

In 1976 a survey was undertaken by the Royal Automobile Club of Victoria for three typical categories of cars, and it showed that the over-all cost of using and operating a motor car was dominated by the fixed cost element. The result was that for a Holden Kingswood, fixed costs were 12·2 cents a kilometre, the used costs were 4·4 cents a kilometre, and the total cost was 16·6 cents a kilometre. For a Datsun 180B the fixed costs were 11·4 cents a kilometre, the used costs were 3·3 cents a kilometre, and the total costs were 14·7 cents a kilometre. The fixed costs of a Datsun were less than those of a Holden Kingswood because the motor registration fee is less on a smaller car. For a Gemini or a Galant the fixed costs were 10 cents a kilometre, the used costs were 2·9 cents a kilometre, and the total costs were 12·9 cents a kilometre.

The point I make is that once an investment is made in a car, there is an inbuilt encouragement to use that car, so the fallacious arguments advanced by the Minister of Transport do not apply. It would seem to me that the Minister and indeed this Government are keen to acknowledge, when it suits them for public relations purposes, that the major responsibility of all Governments in this country is to reduce this country's dependence on imports of crude oil and transport fuel. Our crude oil comes from the Middle East, and because of availability problems, escalating world prices and import parity pricing in Australia for crude oil, the Government should provide a way of ensuring that this ever-increasing dependence on transport liquid fuels should be reduced. This Bill, which will collect $45 million in a full calendar year, will do nothing to encourage the Australian or the Victorian motorist to use his car less. Therefore, the hypocritical remarks of the Minister of Transport and this Government can be seen for what they were, and for what they are.

If the Government wants to conserve transport fuel, which is a scarce commodity in this State and nation, then I believe the statements of the Government and its back-bench members, who spoke in this Chamber for 30 minutes about this iniquitous tax which the Government intends to impose upon

Victorians, will be shown as pious hypocrisy. Let the honorable member for Noble Park be given an opportunity of showing that he is not in favour of this Bill. Are the honorable members for Noble Park, Burwood and Bendigo going to vote with the Opposition and the National Party against this tax measure? If they are not, then the pious statements made by the honorable member for Noble Park will be seen for what they are—sheer hypocrisy; nothing more, nothing less.

Mr BIRRELL (Geelong West)—It is interesting to listen to members of the Opposition. I recall how many members spoke during the Budget debate against the very low allocation of funds for various Ministries. There is no talk of that now. It is terribly easy to be on the Opposition side. I am very sympathetic to the problems of the Treasurer. He has to make up a Budget and, in the process, he has to find funds from very restricted fields.

This debate has been somewhat compromised because amendments have been foreshadowed to be moved at the Committee stage. I do not want to speak about the amendments, but all honorable members would agree that the Government has great difficulties with this Bill. No one will deny that. It is wonderful to be on the Opposition side.

Mr Wilkes—You will not have long to wait.

Mr BIRRELL—There are many times when I would like to change sides. It is so easy to be in Opposition. During the debate on the Appropriation Bill, a member of the Opposition said that the Government was not spending enough.

Mr Crabb—Who said that?

Mr BIRRELL—The honorable member for Carrum spoke four times on the Appropriation Bill. He is not here now; he has run away with his tail between his legs. I did not think he had a conscience, but tonight he has proved that he has, because he cannot come into the House and say, "I want you to raise the loan funds".

Mr CRABB (Knox)—On a point of order, Mr Acting Speaker. It seems to me that it is out of order for an honorable member to quote what someone else has said in a previous debate without quoting the page of *Hansard* and its relevance.

The ACTING SPEAKER (Mr Skeggs)—Can the honorable member quote the reference in *Hansard*?

Mr BIRRELL (Geelong West)—In nineteen years I have been in this House I have not quoted from notes or from *Hansard*, and I will not start now.

The ACTING SPEAKER—I take it the honorable member is prepared to paraphrase what he wants to say.

Mr BIRRELL—I am one of the old breed; I do not speak from notes, I speak from nothing bar what is up top. Sometimes honorable members say, "There is nothing up top."

The Bill is iniquitous. The House must come to the conclusion—many honorable members have not yet reached it—that in a competing Federal system, different State charges cannot exist.

The classic example occurred when a certain Premier of Queensland, about three or four years ago,, said, "I am going to abolish probate". The Premier beat the Victorian Government to the gun by about three or four weeks. Every other State came running, Victoria first, New South Wales second and Western Australia third. All States said, "Right, we are going to do something about probate".

There is a principle at stake. Victoria is one State amongst six and Victoria cannot have taxes dissimilar to those of other States. The probate issue emphasized that.

Mr Crabb—What has probate got to do with the Bill?

Mr BIRRELL—I am not against the Labor Party. There is a dissimilarity between the stamp duties on car sales in Victoria and New South Wales. That is intolerable because no one will buy an expensive vehicle in Victoria while the present system continues. The

Treasurer will introduce some amendments during the Committee stage. If the Treasurer does not, the motor industry may as well pack up.

Mr Crabb—Why did you support the Bill in the party room?

Mr BIRRELL—The honorable member for Knox does not know what goes on in the party room. The Liberal Party does not always function quite as simply as that. Two weeks ago, on another issue, the reporters out in the corridor said they could not write their notes because of the row emanating from the party room. That is democracy.

I do not mind going on record as opposing much higher stamp duty on cars. I am glad that some common sense has risen to the surface and that, in the Committee stage, there will be a lovely resolution to the problem. I do not intend to cross the floor.

Mr WILKES (Leader of the Opposition)—I find fascinating the description of what goes on in the Liberal Party meeting by the honorable member for Geelong West. I also find it fascinating and comforting to know that the honorable member is oppposed to the proposed stamp duty on the sale of motor vehicles as proposed by the Treasurer and his own party. I further find it comforting to know that the honorable member claims that the proposed amendment canvassed around the House by the Treasurer to reduce the stamp duty by a certain amount will satisfy the honorable member and that will save him the embarrassment of supporting his own belief and principle that there should not be an increase in stamp duty on motor cars at all.

What is happening tonight ought to be the subject of debate. The Government is in a bind and, in particular, the Treasurer is in a bind. The National Party has not agreed to the proposal to be put by the Treasurer during the Committee stage of the Bill. The National Party has not agreed that the reduction is sufficient.

The honorable member for Geelong West in his honest, casual and simple way made his position abundantly clear. However, the honorable member may not have the luxury of avoiding embarrassment if the National Party does not agree with the Treasurers' proposal, and the indications are that, at this stage, unless the Treasurer is prepared to come down another 25 per cent, the National Party will not agree. The motor industry is no longer of any concern. What happens to the fleet owners and ordinary people who buy motor cars? They are of no concern to the Government.

What is the concern of the Governmen is survival, that is, the ability to have the Bill passed with the assistance of the National Party, make the necessary concession and, if that does not work, walk away and produce some other solution. That is what is at stake and that is what honorable members are debating, and nothing else.

Mr Kennett—Nonsense, your glasses are fogging up.

Mr WILKES—Does the honorable member for Burwood disagree that there has been a meeting of the National Party and at least five meetings with the Treasurer and other members of the Government concerning the Bill? The Government and the National Party are well aware that it is a Budget Bill and, if the Bill is not agreed to tonight, it could mean another election.

If the over-all Budget is reduced by the amount proposed to be raised by this Bill, I find it difficult to understand how the Treasurer will balance the Budget to cope with the shortfall resulting from this Bill being rejected by Parliament. That is what it is all about.

The people who will be affected by the Bill are the last to be considered. What is important to the Treasurer, the Government and, presumably, the National Party, is that the Bill be passed. There has been a lot of lobbying by people who will be affected by the Bill. Does anyone deny the right of industries affected to lobby? Of course those industries have lobbied; they have lobbied the National Party and the Treasurer until they are tired of lobbying and the Treasurer has been unrelenting until tonight. He is now ready to produce his proposal to reduce the effect of the Bill.

Mr Austin—The decision to do that was not made tonight.

Mr WILKES—That is an interesting interjection by the Minister of Public Works. The decision to reduce the tax was not made tonight. The honorable member for Geelong West did not tell the House that the decision was made in the party room but he felt confident that a change would be announced by the Treasurer, who must be waiting with bated breath to make the announcement to Parliament to gauge its effect on the National Party. The Opposition can tell the Treasurer what effect it will have and that effect has been expressed by the honorable member for Knox during the debate——

Mr Birrell—The Opposition will be happy.

Mr WILKES—Of course the Opposition is happy with any reduction. However, the Labor Party is not happy about any increase at all in the tax. That position was made abundantly clear by the honorable member for Knox. That is the position of the Opposition in relation to the legislation, because the Opposition takes a different view from the Government and a different view from the National Party. The Opposition seriously considers the effect of the legislation on the industry that is most affected.

The Minister for Public Works has told members that the decision was not made here this evening but in the party room.

Mr Austin—I did not say that at all.

Mr WILKES—The Minister never opens his mouth, other than to put his foot in it now and again, but he did say that the decision was not made this evening. If the decision was not made this evening, it was made at the Cabinet meeting on Monday and must have been endorsed by the Liberal Party yesterday because the dogs were barking and all honorable members knew that there were negotiations taking place between the Government and the National Party in relation to a reduction in the tax to save the Government from defeat. That is what it is all about, to save the Government from defeat.

If the National Party is prepared to sell its soul for what the Treasurer will propose, that is a matter for it. The meat of the question is the effect that the tax will have on industry and the composition of the Budget.

Honorable members should be examining the proposed increase in stamp duty on the registration of transfers of motor vehicles from 2·5 per cent to 4·5 per cent. That matter has been well explained by the honorable member for Knox. However, the Labor Party is concerned that somebody, at some time, has to express a view on the effect of the tax on the industry itself. The Victorian Automobile Chamber of Commerce has been most vociferous. The Chamber did not go behind the door to say that it had been to the Treasurer on no fewer than two or three occasions in an endeavour to convince him of the effect of the Government's decision.

Mr Collins—The Opposition feels left out of it.

Mr WILKES—The Labor Party does not feel left out of it. I have a letter from the Victorian Automobile Chamber of Commerce. I do not know how the chamber addressed the letter to the Treasurer but it addressed mine "Dear Frank". There is no doubt about it. The Victorian Automobile Chamber of Commerce is a responsible organization, and when one examines the automobile industry in total, one must agree that its base is Victoria.

There is no doubt about that. Therefore, if we look at the industry in that light, we have to take cognizance of what the Victorian Automobile Chamber of Commerce claims in respect of the total effect on the industry. In its letter, it stated:

> I fear that the introduction of legislation to increase the stamp duty on the registration and transport of motor vehicles is imminent.

The Victorian Automobile Chamber of Commerce had no doubt about that. It continued:

> As you are aware, we have made representations—

That is what the Minister of Transport did not say when he was addressing the House:

to all Victorian Parliamentarians and, of course, strong representations to the Treasurer to have this punitive measure dropped.

That was the case put by the honorable member for Knox, to have this punitive measure dropped. The Victorian Automobile Chamber of Commerce went on to state:

We are most concerned, not only about the disadvantage to which our border dealers will be put vis-a-vis their New South Wales counterparts, but more so about the figures disclosed by an examination of the national fleet market which, to say the least, are frightening.

That statement ought to be of some use to the Treasurer if he is not already familiar with its impact. The letter continued:

There are 145 000 new vehicles per year sold in Victoria. In order to ascertain the percentage of the total market taken up by national fleet buying, we have made a survey of the major manufacturers and distributors.

The letter then sets out a table which deals with the percentage of motor sales to national fleets in Victoria. I will not take honorable members laboriously through that table because I suspect the Treasurer and other honorable members have received similar correspondence from the Victorian Automobile Chamber of Commerce.

However, the result of the survey showed clearly that the 48 836 vehicles sold in Victoria to fleet operators equalled 33·7 per cent of the market. The Victorian Automobile Chamber of Commerce went on to state:

It will be noted that these figures involve only the major franchises and the estimate that at least 35 per cent of the market goes to national fleets is not unreasonable.

If those figures are correct, and the honorable member for Knox and the Opposition have no reason to doubt them, then the effect of the measure will be that the major fleet owners in this State will be practically forced to look for alternative sources of supply of their vehicles. Certainly, those companies which operate interstate as well as intrastate, although they may base their operations in Victoria, will be obliged by reason of economic necessity to purchase their vehicles where they can obtain the best deal. Does the Treasurer suggest that they will not do that? Does he think they will be so anxious to protect the market and the motor industry and to support the Government that they will want to make their purchases in this State? Of course, they will not, and the Treasurer cannot deny that they will go outside this State simply for economic reasons.

The effect of that on the retail sales of motor vehicles, whether they be private, industrial, commercial vehicles or what have you, will have a drastic effect on the employment situation and the economics of the industry in Victoria.

The first consideration of any responsible Government should be the employment situation, but apparently because of the failure of the new federalism, the Government is concerned to balance its Budget on the back of the motorists of this State—that is precisely the case put by the honorable member for Knox. The Victorian Automobile Chamber of Commerce went on to state:

National fleets, of course, are those fleet owners who operate their companies or businesses in a number of States and normally purchase their vehicular requirements according to the location of their projected usage. In practice, of course, vehicles of national fleets cross borders regularly and operate for periods of time in States other than their original registration.

In particular, of course, does this comment apply to the very large fleets of the rent-a-car operations.

Honorable members are aware that rent-a-car firms operate within the State and beyond its borders. The Victorian Automobile Chamber of Commerce letter continues:

It is our view that the purchasing officer of any national fleet who in future purchases vehicles in Victoria would be certain to receive a "please explain" from his management, if not a notice of termination of his job.

Of course, he would, because we are looking at a turnover of not 10, 20 or 30 vehicles but one involving hundreds of vehicles. The Victorian Automobile Chamber of Commerce has already pointed out that the purchase by fleet operators represents 33·7 per cent of the market and 33·7 per cent of any market is a significant factor.

The Victorian Automobile Chamber of Commerce goes on to suggest:

The Budget estimate of the increase in revenue by raising the stamp duty from 2·5 per cent to 4·5 per cent is $40 million in a full

year. However, if as is most likely, there will be a loss of some 50 000 new car sales at an average price of, say, $10 000, that increase in revenue would be reduced by $22·5 million in a full year and with the inevitable border registration losses on both new and used cars, a probable $4 million would be lost, a net gain of only $12·5 million would accrue to the Treasury.

The effect of the exercise is a net gain of $12·5 million, but honorable members should consider the devastating effect it will have on industry in Victoria. That has not been taken into consideration by the Minister, notwithstanding the representations put to him and the case submitted by the honorable member for Knox. The letter of the Victorian Automobile Chamber of Commerce continued:

This seems a very small amount of money to gain when considered against the tremendous cost to the industry, the reduction in employment opportunities, the reduction in staff and generally the cost to the community in Victoria.

The fears of the industry were expresed to the Treasurer and the Minister of Transport, but the Opposition suggests that those honorable gentlemen have not considered the cost to the community. The Opposition considers this Bill an inflationary measure. In addition, it will have an adverse effect on the motor industry in Victoria. The Victorian Automobile Chamber of Commerce submission continued:

It is on these facts that we base our fear of an erosion of up to one-third of the Victorian market bringing in its train the dismissal and unemployment of several thousand people and of course a significant reduction in the expected increase in revenue that the Government had budgeted for.

As the honorable member for Knox pointed out, honorable members should examine new car sales over the past three months and they will find that there is clear evidence of the state of the industry. That will be the effect of this measure introduced by the Treasurer. The letter continued:

Further decreases in revenue would follow from reduced pay-roll tax being applicable to companies which have reduced their staff. All in all, the Victorian Automobile Chamber of Commerce believes this is the most significantly damaging measure as far as the motor industry is concerned that has ever been placed before the Victorian Parliament.

From his interjection the honorable member for Syndal seems to regard the measure as not being important. I invite the honorable member to speak to the electors of Syndal together with the transport and fleet operators in his electorate, and ascertain how they will be affected by the proposed legislation. The honorable member should also seek to discover how the private car buyers will be affected. If the honorable member wants to vote with the Government on the Bill, let him stand up and be counted, but let it be known to the electors of Syndal that he is not concerned about the effect that this measure may have on their pockets when they want to purchase a new car.

The executive director of the Victorian Automobile Chamber of Commerce, Mr John Collins, finally stated:

I therefore respectfully exort you and your party to strongly oppose the passage of this measure through the Parliament.

A similar letter was forwarded to the Leader of the National Party and the honorable member for Murray Valley. The Opposition did not need the executive director of the Victorian Automobile Chamber of Commerce to remind it of the effect that this amending legislation would have on the industry in this State. The Opposition did not need to be reminded of the conflict and the bind into which the Government has got itself over this measure. It is many years since a Victorian Government has been faced with the prospect of defeat over a Budget Bill. That prospect has arisen because the Government has been unrelenting in its attitude on this Bill, just as the Treasurer has been unrelenting.

The Treasurer interjects that the Government intends to make a concession and that honorable members will hear about that concession at the Committee stage. I am suggesting that the concession is not sufficient.

Honorable members interjecting.

Mr WILKES—The dogs are barking the concession, and even the honorable member for Geelong West and the Minister of Public Works have indicated what the concession will be. The decision made in relation to the concession was not made this evening and everyone knows what it will be. The honorable

member for Polwarth, who is interjecting, is aware of it just as are members of the press. The Opposition claims that it is not significant in itself and despite the submissions of the Victorian Automobile Chamber of Commerce to the Government, the Government is not taking the appropriate steps to correct some of the effects that this measure —or indeed the amended measure as it will be after the amendments have been adopted in Committee—will have on the motor industry in Victoria.

I do not wish to speak for the honorable member for Knox who is the spokesman for the Opposition on this measure and who will make the necessary announcement in relation to the proposed amendments at the appropriate time. The honorable member for Knox knows much more about this measure than the honorable member for Noble Park, who is interjecting, does.

Mr Collins—You did not know much about it until you got those figures from John Collins.

Mr WILKES—The honorable member for Noble Park, who is only here by a bit of luck, quotes figures from the Victorian Automobile Chamber of Commerce when it suits him. The honorable member is always prepared to do that, but when the figures do not serve his purpose or support his case, he disputes them. The honorable member cannot dispute the arguments advanced by the honorable member for Knox on the devastating effect that this measure will have on the motor industry in this State. For those reasons the Opposition rejects the Bill.

Mr KENNETT (Burwood)—Honorable members have again been entranced and enthralled with the contribution from the Leader of the Opposition who, during his remarks, stated that the Opposition did not need to be reminded by the Victorian Automobile Chamber of Commerce of the effects of this proposed legislation on the industry.

Mr Speaker, I put it to you and to the House that for the major portion of his contribution, the Leader of the Opposition used the contents of the letter from the Victorian Automobile Chamber of Commerce to support his case.

Also, with great pride, he threw out his chest and suggested that the Victorian Automobile Chamber of Commerce had addressed him in the letter which he had received as "Dear Frank". Most members of the community would say, "Frank Who?" I will carry on from where the Leader of the Opposition left off.

The Director of the Victorian Automobile Chamber of Commerce really did not have a clue who he was writing to when he addressed a letter to the Leader of the Opposition. Tonight there is a contrast of conditions. On the one hand, the Opposition and the National Party are opposing the proposed legislation. On the other hand, when the Budget was being debated the Opposition was keen for the Government to spend more money. It wanted more money spent on public works, education and health. There comes a stage in life when one cannot have one's cake and eat it too. The alternative is to raise the revenue which supplies the services which the community demands and which the Opposition seems to demand on behalf of a minority of the community. In this case the Government is trying to meet as responsibly as possible the majority of those expenditures in as many areas as possible. Tonight the Opposition is standing up hypocritically, led by the honorable member for Knox and supported by the Leader of the Opposition——

Mr Wilkes—The Minister congratulated the honorable member for Knox.

Mr KENNETT—The Leader of the Opposition does not upset me. He is a has been. He has until the next election. The majority on this side of the House will be here when the election occurs, unlike the Leader of the Opposition.

Mr Crabb—I thought you weren't coming back.

The SPEAKER (the Hon. S. J. Plowman)—Order! I suggest both sides of the House keep to the Bill before the House and leave personalities aside.

Mr KENNETT—I accept your ruling, Mr Speaker. I am trying to indicate that on the one hand the Government is trying to raise revenue to provide the

goods and services to the community, and, on the other hand, only two or three weeks ago members of the Opposition were saying that the Government should be spending considerably more funds. They were saying that the Government should spend an additional $400 million. Now three weeks later the Opposition is saying that the Government is attempting to fleece a certain section of industry as a result of the proposed legislation. However, three weeks ago the Opposition was suggesting that the public of Victoria should be fleeced of $400 million.

Mr Wilkes—Rubbish!

Mr KENNETT—The Leader of the Opposition knows as well as I do that four weeks ago in the Budget debate he was asking this miserable Government—

The SPEAKER (the Hon. S. J. Plowman)—Order! I ask the honorable member for Knox to cease interjecting, and the honorable member for Burwood to keep to the Bill.

Mr KENNETT—It is important that the public of this State be well aware of the hypocrisy being shown tonight. There cannot be an increase in expenditure unless there is an increase in revenue or a reduction in expenditure in other areas.

Mr CRABB (Knox)—On a point of order, hesitant as I am to interrupt the well-documented case of the honorable member for Burwood, it is clear, according to the rulings given by yourself, Mr Speaker, and by the Acting Speaker during the debate, that the honorable member for Burwood is well beyond the confines of the debate on the Bill.

The SPEAKER (the Hon. S. J. Plowman)—Order! I ask the honorable member for Burwood to return to the Bill. The honorable member is establishing his case of debit on one side and credit on the other. I ask him now to return to the Bill.

Mr KENNETT (Burwood)—Thank you, Mr Speaker. It is, as you say, a well-established case. The Bill is introduced in an attempt to raise a certain amount of revenue to provide works and services to the community. On that basis the Opposition said the Government was spending $340 million less than what was required to be spent to keep capital inflow in building and construction at the previous level. There is no doubt in the mind of the Government that its objectives are correct. In fact, its estimation of $60 million that would be raised under this Bill may have been substantially reduced. The Leader of the Opposition continues to laugh.

Mr Wilkes—Of course I do.

Mr KENNETT—It is part of his new low profile.

The SPEAKER (the Hon. S. J. Plowman)—Order! I ask the honorable member to refer to the Bill.

Mr KENNETT—I am establishing that the Government has acted responsibly.

Mr Wilkes—You have caved in because you are frightened of defeat.

The SPEAKER—Order! I ask the honorable member to ignore interjections.

Mr KENNETT—It is hard not to ignore interjections. Government supporters are not worried about defeat. The Government has accepted that it must be flexible in its financial planning. It is reaching the situation where on the one hand it is trying to support an industry that is a major employer and to do so it must decide how it can cut back on expenditure. The only thing missing in the contribution made by the Leader of the Opposition in which he asked for the Bill to be withdrawn or vastly changed is where to cut back expenditure. I have it on very good advice that the honorable member for Dandenong will speak after me. Therefore, I challenge him as the spokesman for the Opposition to inform the House where it is intended to cut back expenditure. What goods and services will not be supplied to the public? Will the honorable member indicate to the House in what area he wants to cut back expenditure? Is it on education, social welfare or local government?

The SPEAKER (the Hon. S. J. Plowman)—Order! I do not want the honorable member delving into a lengthy debate.

Mr KENNETT—It is important. The Opposition cannot responsibly stand up and ask the Government to withdraw a Bill unless it is responsible enough to indicate to the House whether it will obtain the same income from another source, whether it will tax services or what additional taxes it will levy on the people of Victoria. The Government has a record of acting responsibly in the management of the State.

Mr Jolly—Who says so?

Mr KENNETT—The majority of the people of Victoria have said so time and again. If the Opposition claims that withdrawing the Bill will reduce taxes collected in this State by $60 million, then surely it is in order to ask the same Opposition which makes that claim, and certainly the Leader of the Opposition, what expenditure it would cut back. It is hypocritical to ask for an additional expenditure of $400 million four weeks ago and then ask for a reduction of $60 million in revenue today. It is not on! Any Government must be prepared to be flexible.

The SPEAKER (the Hon. S. J. Plowman)—Order! Honorable members may not agree with the remarks of the honorable member. They may find them somewhat amusing. However, I remind them that debate is intended to provide the individual with the opportunity of putting his case without a shouting match from the Opposition. I ask honorable members to allow the honorable member for Burwood to put his case without this shouting match.

Mr KENNETT—It is interesting that the Leader of the National Party spoke to me personally on certain issues in which he gave an undertaking which he has not honoured.

Mr ROSS-EDWARDS (Leader of the National Party)—On a point of order, I take exception to the fact that I have been accused of giving undertakings that I did not honour. In my twelve years in this place, every undertaking I have given to the House has been honoured and I ask for that remark to be withdrawn.

Mr KENNETT (Burwood)—The honorable member gave an undertaking and assurance to me and not as he has indicated to the House and he reneged on it without notice. He indicated his flexibility. What I am saying is that the Government must indicate flexibility, and it has shown flexibility. I am sure the Treasurer will be able to indicate to the House the reasons for the proposed amendments and any loss of revenue will be accounted for.

The measure has two sides to it. Through this Bill the Government is trying to meet its commitments to the people of Victoria and also to ensure that a certain section of the community that is going through a period of hardship should not be disadvantaged. I have tremendous faith in the proposed legislation and more so in the Treasurer. The Bill will ensure that the people of Victoria are not disadvantaged. Therefore, I support the Bill.

Mr ROSS-EDWARDS (Leader of the National Party)—Before I speak on the Bill, it is only right and proper that I should answer the serious accusation made by the honorable member for Burwood. Two or three weeks ago, on a previous matter, the honorable member and I had a private conversation. He asked me what attitude the National Party might take. As it turned out, I was stupid enough to indicate to him what I expected the National Party to do. It did not do that. I passed the information on to the honorable member and now he has the effrontery and the bad manners to stand up here and reveal what was a personal and private conversation between us. I did not and cannot give my word for what the National Party may or may not do. I should not have spoken to the honorable member as a back-bencher, but I gave him an indication of what I thought the National Party might do.

Mr Wilkes—You have learned a lesson.

Mr ROSS-EDWARDS—Yes.

When discussing an amendment to the Stamps Act one must take into consideration the other taxes which have been imposed on the Victorian motor industry by the Government since the election last May. The first major tax was on petrol, for which a Bill was passed in the Autumn sessional period.

It was then estimated to raise $42 million in nine months or $62 million in a full year. That was a conservative estimate and now it is expected that the receipts will be more. It is a growth tax because as the price of petrol increases so does the amount per litre taken by the Government. I understand the income from the tax will be considerably more than $42 million but how much more is a matter for debate.

The honorable member for Burwood asked where the money would come from. The first answer is that some of it will come from the petrol tax. At that time I, and no doubt Government supporters and members of the Opposition, thought all States would impose a similar tax. I believe the New South Wales Government said it would do so, but it has not and that has put Victoria at a disadvantage. The tax was considerable and was obviously crucial to the Treasurer's Budget for Victoria. After some consideration the National Party supported the introduction of the tax. If the National Party had not supported the tax the State would be $50 million worse off at the end of the financial year.

A surcharge of $4 a car was then imposed on third-party insurance. That is not a big tax but it amounted to $8 million. On balance, the National Party decided to support that tax because it is necessary to assist the Government in normal Budget matters, and it did. We now have a tax which is estimated to produce $40 million in a full year. The extraordinary point is that at present our level of stamp duty puts us in the forefront of all States of Australia, roughly on a par with South Australia but ahead of other States. If the proposed legislation were passed, Victoria would be at about twice the level of any other State in Australia.

Mr Crabb—More than that.

Mr ROSS-EDWARDS—South Australia would be half as much as Victoria but in a different tax position from New South Wales, which is the big concern of the National Party. This is an intolerable situation. Obviously when the Government formulated this tax it misread the economic state of the motor industry in Victoria. The Government must have misread the economy and the events of recent months. Victoria is the home of the motor trade in Australia and the manufacturing and sales centre for a very important industry to Victoria.

It has been suggested by speakers from both sides of the House that the Government will make a substantial reduction before this debate is over to what was originally thought. If that occurs one cannot help but ask whether or not the Government budgeted for this amount. If it did, how can it make a concession at this stage? Frankly, I have grave doubts about the credibility of the Government's statements about budgeting.

It is no secret that I have had many discussions with the Treasurer in recent days concerning stamp duty and at this late stage I ask the Treasurer to consider a sensible compromise on the matter.

Mr Crabb—What is a sensible compromise?

Mr ROSS-EDWARDS—That is for me and my party to decide. I ask the Treasurer to consider a sensible compromise because it is essential to the motor industry. This Parliament has gone along with many other imposts on the motor industry. The motor industry is crying out, with justification, that it has had enough. It is not a case of whether the motor industry is happy. The major concern is the effect of the imposition of this tax on business generally in Victoria. It will have a detrimental effect. Victoria is facing very serious unemployment. As the honorable member for Murray Valley said, Victoria is more dependent on secondary industry than most States and the motor trade plays a prominent part in secondary industry. Unemployment will be worsened if the proposed legislation proceeds in its present state.

This measure will increase the economic problems which face the Treasurer. I remind the Treasurer that the petrol tax is a growth tax and that this stamp tax is also a growth tax. As the price of cars increases, so will the money paid to the Government of Victoria. Because of the increased cost

of steel and rising wages a larger amount will be received for each car than has been envisaged. The danger is that not many cars will be sold. If that happens the Government could lose more than it hopes to gain.

I have been surprised by the bitterness expressed by the motor industry. It is justified bitterness. The motor industry is a free enterprise industry. It includes the free traders of the nation. Competition in the new car, used car and repair trade is fierce. If ever a group supported free enterprise government the motor industry does. In recent times I have attended functions and two dinners held by the motor industry. The Leader of the Opposition also attended a dinner and we heard criticism of the Government from men who would not normally be expected to criticize the Government. It was considered that the industry was not being treated fairly and that the Government had no understanding of its problems. The Government is going too far. It may not destroy the industry, but it will destroy some companies and create unemployment. The motor industry is spread over the length and breadth of Victoria.

The National Party supported the Budget because it believes when a Government is elected it is bound to support the Budget. The Opposition did not oppose the Budget. I have made it clear that I do not support every element of the Budget, but up to this point the National Party has supported the Budget although it has had reservations about doing so.

Mr Crabb—So you should have.

Mr ROSS-EDWARDS—That is a matter of opinion. The National Party has done so because it is easy to criticize a Budget but it is much harder to formulate a Budget. If the Government wants the support of the National Party on future Budget matters, closer consultation will be necessary than has occurred in the past. Regular consultations will be needed with the Government because when one does not have the opportunity to formulate policies which require support, one cannot be expected to vote for legislation if it is stupid. The present measure, as it is now presented, is stupid.

The National Party realizes that from time to time if one wants benefits for the State for better services, some taxes will have to rise and from time to time other taxes will have to be created. It is beyond my comprehension that a tax which will bring in $42 million or $50 million this year, a surcharge which will bring in $8 million and now a tax that in a full year will bring in $40 million should not be imposed in New South Wales. There is no petrol tax in New South Wales. The New South Wales Government not only refused to impose an increase in stamp duty but did not have such a tax equal to that levied in Victoria previously. I cannot speak with authority about the third-party insurance surcharge in New South Wales, but that is a minor part of the question.

If the Government wants the support of the National Party on taxation matters, we as a party will want some say and some discussion about what taxes are imposed.

Mr Wilkes—You want coalition.

Mr ROSS-EDWARDS—Coalition is one thing but support for the Government is another. If the Government wants support to get through the Budget it will have to have discussion because government cannot be a one-way exercise.

Mr Crabb—You have always supported the Government.

Mr ROSS-EDWARDS—We have not always supported the Government.

Mr Crabb—You have on Budget Bills.

Mr ROSS-EDWARDS—We have supported the Government on the Budget but not on all other issues. In this case, the Government is out of step with the economic state of the nation and Victoria. The Government cannot justify the imposition of a tax which receives deserved criticism not only from the motor industry but also from the public generally.

Mr JOLLY (Dandenong)—This debate has been amazing. The Bill before the House is symbolic of the Government's

economic incompetence. The Government is full of economic dandelions—they blow in the wind and do not know where to settle. I have been disappointed with the contribution made by the National Party tonight, particularly the contribution of the Leader of the National Party, because he referred to the need for compromise.

I invite honorable members to look at the basis of introducing this Bill and the rationale that was used by the Treasurer in his second-reading speech in arguing for an 80 per cent increase in stamp duty on new and used cars.

The Treasurer made two points in his second-reading speech: The first related to the fact that the Australian Government has reduced the sales tax rate from 27·5 per cent to 15 per cent, and that indicated that the Australian Government had taken action to reduce the price of cars and thus stimulate the automobile industry throughout Australia. The Victorian Government made a decision which contradicts that economic policy, and will reduce the sales —by how much it is impossible to tell from the information that has been provided to Parliament.

The second point made by the Treasurer—and this is the most spurious argument that has been advanced—was that the rate of stamp duty has not been changed since December 1975. As a statement of fact that is correct, but it ignores the reality that the stamp duty imposed in Victoria is a percentage tax; in other words, as the Leader of the National Party pointed out, it is a growth tax. If there is an increase in the price of cars or in the rate of sale of cars, there will be an increase in Government revenue, so that the Government has gone beyond the growth tax and introduced a measure which will significantly increase the price of cars sold in Victoria.

There is no justification for this on the grounds that no change has occurred since December 1975, because the stamp duty on the sale of cars is different from that imposed on cheques; stamp duty on cars is expressed in dollars while that on cheques has been increased from 10 cents to 12 cents. That change can be justified on the grounds that it will keep up with inflation, but no such justification can be put forward in the case of the stamp duty on cars, and that point should be remembered.

The two points that were advanced by the Treasurer in his second-reading speech are fallacious; they do not support the view that there will be an increase of 80 per cent in stamp duty, and that is a horrendous increase.

It was interesting to hear the arguments advanced by Government supporters on the Bill. The honorable member for Noble Park spoke against the measure, as did the honorable member for Geelong West. The logic of their position was that no increase in stamp duty should take place, because it would increase the price of motor vehicles and therefore discourage sales and employment. Those honorable members should vote with the Opposition on this Bill and on all the clauses.

The contribution of the honorable member for Burwood—the debating debutante—in terms of documentation and research was matched only by that of the honorable member for Geelong West, and he admitted that he had no documentation. Only once did the honorable member for Burwood refer to any statistics, and he said that the measure would reap $60 million for the Government, so he made a 50 per cent error in the only statistic he used. That is typical of the honorable member for Burwood, and it shows what economic giants exist on the other side of the House. It also indicates that the Government is in economic disarray; it does not know where it is heading. The way the Government approaches economic policy making is an illustration of its incompetence and inability to manage the economy.

I shall make some brief comments on the estimates contained in the Budget speech about the increase of 80 per cent in stamp duty. According to those estimates, in a full year there should be an increase in revenue of 88·7 per cent. That amount is derived from the figures contained in the Budget speech. Assuming that the rate of

inflation in a full year is 10 per cent—that may be conservative, but assuming that is the rate of inflation in the relevant period under consideration—and that the 2 per cent increase in stamp duty must be added to the price increase for automobiles, we are left with the position that there will be a 3·3 per cent drop-off in sales of automobiles in Victoria. That is the implication of the figures contained in the Budget speech, and that gives an indication of the disastrous economic policies that the Government intends to implement.

I shall make some comments about the effects on employment of this proposal because the point has now been reached where the Government's assessment in the Budget of the Victorian economy has proved to be entirely wrong. It is relevant to look at the economic factors because this is an economic measure and it will affect the main manufacturing industry in this State.

Before the Full Bench of the Conciliation and Arbitration Commission, the Government went on public record as saying that the growth rate in the financial year ahead, 1979–80, will be only 2 per cent. Some honorable members opposite, especially those who spoke tonight, would probably think that is a good thing because they do not follow economic issues, but it also means that a 3 per cent increase will occur in unemployment. That is not the foundation of the Budget or of the Bill that is presented tonight, because we can all recall the words of the Treasurer in the Budget speech when he said that the Victorian economy was sound.

The SPEAKER (the Hon. S. J. Plowman)—Order! The honorable member may not refer to a previous debate in this session.

Mr JOLLY—Thank you, Mr Speaker; I take that point, but clearly there are indications that the Government regards the economy as sound. Nevertheless, in this Bill, the Government will attack employment in the automobile industry.

In 1976–77, 46 000 persons were employed in the spare parts section of the motor vehicle industry. At the time—and the figures have not changed substantially since—this represented 52·3 per cent of the total employment in the automobile industry in Australia, and that shows how significant this industry is. What has happened? The Government now intends to increase the stamp duty on motor vehicles by 80 per cent.

Honorable members have heard that some compromise is to be made; the compromise must necessarily imply that an increase will be made in stamp duty. This proposal must be self-defeating. It will result in loss of sales, an increase in unemployment and a reduction in employment in the automobile industry in Victoria.

I shall conclude my comments by taking up the point made by the honorable member for Burwood, who asked what cutbacks were necessary. If one examines the total Budget, one finds that probably no cutbacks are necessary because, as the honorable member for Burwood indicated, the Budget is flexible. The Government is also flexible, and these words are reminiscent of those used by a former Federal Treasurer when the Federal deficit increased by $1000 million; the figures were rubbery. This highlights how deficient economic statistics are in Victoria. When one looks at the issue of where the money is to come from, one realizes that the petrol levy was related to the motor vehicle area, and I dare say that the Government has underestimated the amount of revenue that will come from this area because it assumes no increase will occur in prices in the period ahead. Everyone would recognize that that is a nonsensical assumption—it is not realistic—and therefore the revenue is understated.

The allocation of $95 million to the Treasurer's Advance indicates a great deal of flexibility because that is substantially higher than it has been in previous years. Again that shows the flexibility and rubberiness of the Government's statistics. It would not be difficult to compensate for this position.

I am strongly opposed to any increase being made in stamp duty, because it will no doubt affect the automobile industry, and I am particularly concerned about that because it will adversely affect employment opportunities in the Dandenong area. We cannot afford this because already Victoria is lagging behind in employment expansion, and the private sector in particular has been doing very badly. Therefore, I strongly oppose the Bill; no compromise should be made and no increase should be made in stamp duty.

Mr McINNES (Gippsland South)—The Government in trying to raise revenue from stamp duty on motor vehicles seems to have overlooked the most significant role of the motor industry in Australia. I congratulate the honorable member for Murray Valley on his exposition of that role and his explanation of how it affects each of us. The motor industry in Australia, the largest component of which is in Victoria, represents the marriage, as our Leader said, of free enterprise and high technology which has amazed other highly industrialized countries of the world.

We have heard it said that a country like Australia should realistically support only one manufacturer of motor cars, one classification of car, one model and probably even only one engine, yet the Victorian industry has survived and grown to a point where it represents the best springboard Australia has ever had for export from the manufacturing sector to countries in South East Asia and nearby markets. With these new markets looming, Victorians should be mindful of the tremendous asset they have in a viable and efficient manufacturing export industry. It is a major employer of labour—and that is most important at the moment—not only in assembly plants but also in the many smaller component manufacturers such as the ACMIL plant at Sale, which produces plastic seat covers for a whole range of vehicles. It employs 160 men and until recently had had no industrial trouble, and manages to run at a profit. Other firms provided employment for many people in the marketing of spare parts, servicing and fuel sales, giving them rewarding and interesting jobs.

The Government, understandably, is looking for sources of revenue to make up shortfalls in funding from Commonwealth sources. Late this week the Premier, accompanied, I assume, by the Treasurer, will meet in Canberra with the Federal Government. We have it on the authority of journalists who interviewed the Prime Minister yesterday that the State leaders are in for a rude shock.

But let us consider the revenue that the Federal Government derives from the resources in the Gippsland basin in Victoria which is serviced by the cities and towns in the electorates of Gippsland East and Gippsland South. If the Government wants a milking cow, this is where it will find it. 83 per cent of the gross cost of Gippsland oil distributed to refineries goes to the Government in the form of excise levy, Federal and State royalty and company tax.

Mr Crabb—What has that to do with stamp tax?

Mr McINNES—It has a lot to do with stamp tax because motor cars run on petroleum products. If that industry is harmed, it will reduce the capacity of the country to go on producing.

The Federal Government is using this source to reduce its deficit. Some $2200 million will be applied this year from the crude oil levy and that will have the effect of reducing the domestic deficit to $875 million. But for that, it would be running this year at $2898 million, so that represents an enormous proportion. If the Premier and the Treasurer want to find where they can pick up the money to take up the shortfall in State funding, that is where they should be seriously looking.

No strong arguments have yet been put up by the States against the Federal Government. The States have accepted that the Federal Government can get away with it and can solve its financial problems simply by bleeding the petroleum industry. The total

oil industry contribution is $3500 million, out of total Budget receipts of $29 000 million; that is the source.

This all comes back to killing the goose that lays the golden egg, by killing the car industry and not sustaining it and enabling it to maintain the high standard it has achieved. Most Australians want and need a motor vehicle, and they were proud to have been able to point to the fact that Australia has one of the highest rates of car ownership in the world.

The motor car industry is moving towards reducing consumption of energy, but that process will take several years and will not come into effect before about 1990. It seems foolish to place at risk a motor industry which, in the past 20 to 30 years, has become established and is now playing an extraordinarily important role in free enterprise in Australia. It is a most competitive industry. It has not only reached a position of competing with manufacturers in the rest of the world but it is able to produce a highly satisfactory product which, but for the duties levied on that product, would be available to Australians at almost give-away prices. When compared with the prices of other commodities in the community, prices for a complex thing as a vehicle which has such a utilitarian role and which has been a source of pleasure to most Australians are extraordinarily low.

The State Government must turn to the Federal Government and muster a realistic approach to ensure that the Federal Government undoes its money bags and gives back to the States a fair share of what it is ripping off Victorians. It is clear, as was stated by the Chairman of the Gas and Fuel Corporation recently, that the aim of the Federal Government, obscured by the cloak of energy conservation, is to reduce its deficit by taxes and levys on petroleum resources.

Mr CAIN (Bundoora)—There are a couple of points which should be made, although the whole topic has been well canvassed. I do not want to dwell on the effect of these proposals on the motor industry so much as on their effect on individuals, because individuals certainly will be affected. If one looks at comparable figures that will apply to the sale of cars, one sees quite incredible inequities. A motor vehicle which costs $10 000 in the Australian Capital Territory where no stamp duty is levied will cost $10 200 in New South Wales. In Queensland it will cost $10 100; in Western Australia it will cost $10 075; and in Victoria it will cost $10 450.

The point ought to be made that that is grossly inequitable between purchasers of the same vehicle in different parts of the country. In 1900 it was part of the Federal compact that, when the Federal Government sought powers to levy taxes, certain restrictions were placed on those levies, one of those restrictions being that taxes levied by the Commonwealth should not discriminate between the States; yet here one sees State taxes discriminating between people in different States.

The second point to be made is that it is again an illustration of the Victorian Government's devotion to indirect taxes in lieu of direct personal taxation. Members of the Labor Party are concerned about the incidence of indirect taxes falling hardest on those who can least afford to pay them. One may criticize any form of tax, but with income tax the burden falls hardest or heaviest upon those who can best afford to pay it. It has some progressive factors built into it which ensure that those best able to pay bear the largest burden.

The point should also be made that this Bill is almost universally condemned on all sides of the House, if one is to accept what Government back-benchers have said. One wonders why the Government sought to introduce what has been described as an *ad valorem* tax or to introduce such savage increases in an *ad valorem* tax. The point has properly been made that such a tax has built into it all the ingredients necessary to enable the tax gatherer to keep pace with inflation

or price rises and the State enjoys the benefit of any increase in the price of the product.

Quite distinct from this is the part of the Bill which deals with the duty payable on cheques. As the honorable member for Knox pointed out in his valuable contribution, this duty is a reasonable progression, having regard to the change in value of money since that duty was fixed. But here honorable members see an *ad valorem* tax where the amount of the tax is fixed according to the price the purchaser pays. The point has been made over and again that the amount collected by the State increases according to the price paid.

My final point is to ask why there has been such a savage increase in an *ad valorem* tax of this kind. In my view, the genesis of the problem Victoria is facing and will continue to face in the years ahead lies in the passing of the States (Personal Income Tax Sharing) Act 1976, by which this State quite wrongly tied its flag to the fixed proportion of personal income tax collected by the Commonwealth to be redistributed to the States. There was a sell-out at the time and this State was left hanging with a fixed proportion of a rapidly diminishing tax. Victoria will continue to face levies of this kind simply because of the decision made in relation to this so-called new federalism four years ago.

The real moment of truth will be next Friday at the Premiers Conference when this State has to decide what it will do. Honorable members know the desire of the Federal Government to get out of the guarantees based on the 1973 figures and leave the States for dead. Victoria is in the situation where these sorts of levies will continue to be imposed in increasing numbers and in increasing proportions in order to make up the short-fall from the collection of taxation from direct sources. The Government has to accept the blame for levying this type of tax in this State at this time. It was conned on the financial arrangements between the States and the Commonwealth at the time I mentioned and Victoria is paying the price now.

It is clear that the Government has no real heart for this provision. It is a desperate measure to try to make up that short fall. If the Government back-benchers are sincere in what they say about how the deficiency should be made up, they will take note when I say it should be made up by fighting for a better deal for this State in the reimbursement of Commonwealth moneys. The State Government should not be sent out, cap in hand to the people of the State, to beg more and more from them as a result——

The SPEAKER (the Hon. S. J. Plowman)—Order! The honorable member has spoken at some length on this subject which has no real relevance to the Bill, as I understand it. I ask the honorable member to come back to the Bill.

Mr CAIN—I think this matter is relevant to the Bill, Mr Speaker, because it is the cause of this Bill being before the House. With respect, I submit that I am entitled to canvass the reasons for the Bill being before the House.

The SPEAKER—The honorable member may continue.

Mr CAIN—Thank you, Sir. In rounding off I point out that the way to overcome this sort of measure is for Victoria to get its just entitlement from the Federal Government. There would then be less need to levy these sorts of discriminatory and unfair taxes upon the people of this State.

Mr THOMPSON (Treasurer)—No new taxes are popular and some are more unpopular than others, but I am amazed at the approach of the Opposition tonight. On three occasions in recent weeks, Opposition members have voted for increases in expenditure. Tonight there is a complete somersault

and it has asked for a decrease in revenue. They cannot have it both ways. The honorable member for Bundoora has complained that the real reason for this tax was the introduction of the method of sharing revenue between the Commonwealth and the States. That really has nothing to do with it. It is a guaranteed formula which last resulted in an increase of 13 per cent in the amount Victoria received from the Commonwealth. The real problem is not the share that goes to the States as a whole; the real problem is the method by which it is split up between the States. That is the crux of the matter. I will state it again for the benefit of the honorable member for Brunswick——

The SPEAKER (the Hon. S. J. Plowman)—Order! Members of the Opposition have made their contributions, or have had an opportunity to do so, and have been heard almost in silence. I ask that they extend to the Treasurer the courtesy of allowing him to answer the points, whether they agree or not. I ask that the House be permitted to hear the Treasurer without interruption.

Mr THOMPSON—If Victoria had been reimbursed on the same *per capita* basis as New South Wales it would have received $27 million more this year. If it had been reimbursed on the same basis as Queensland, it would have received $435 million more this year. If it had been reimbursed on the same basis as South Australia, it would have received $651 million more this year and on the same basis as Tasmania, it would have received $1 200 million more this year. Because of that inequitable and unjust split-up of personal income tax collections between the States, Victoria has to raise additional money to provide a comparable standard of facilities. State tax levels in Victoria are about $343 a head, compared with $237 in Queensland. Queensland gets extra money from the Commonwealth Government, so it has to raise less money through State taxes. That is the significant feature of the agreement.

Victoria was confronted with the difficulty of raising an additional $387 million. The bulk of that money goes in the payment of increased salaries and wages and in payment of pensions and debt charges. Certain guarantees have been given which the Government intends to honour: Probate duty will be progressively abolished; there was an understanding to abolish land tax on the family home; ways and means will be investigated to replace pay-roll tax; and this year no income tax surcharge will be imposed. That left a limited range of tax areas that could be used to raise the additional money.

The motor industry in Victoria suffered a decrease in sales in both 1976–77 and 1977–78. Partly because of that and because of the same thing happening in other States, the Commonwealth Government reduced sales tax on motor vehicles by 12·5 per cent, from 27·5 per cent to 15 per cent. Last year, in 1978–79, this had a desirable impact on the motor industry. Instead of a decrease in new registrations, there was an increase of 3 per cent. For the month of July, motor vehicle registrations overall rose by 12 per cent and the registration of new cars and station wagons rose by as much as 21 per cent. That was at the time the Budget was being prepared.

Final decisions had to be made at the end of August. For that month there was a decline of 1 per cent in the number of new registrations, but that figure was not available until a little later. Since that time, it has been observed that in September there was a decrease of 13 per cent and in October a decrease of 6 per cent. So much of what has been said tonight is correct and that is the reason I foreshadowed an amendment at the Committee stages. The amendment which I will move will have the effect of reducing the impact of the tax in this way: For new cars the increase will be 0·5 per cent instead of 2 per cent, and for the transfer of cars the increase will be 1·5 per cent instead of 2 per cent.

The Government believes this change is desirable in the light of what has been happening in the motor industry over

the past three months. As all honorable members have said, the motor industry is important for the future of Victoria. The Government had to check how other sources of revenue were coming through. It found an increased flow in three areas in particular—stamp duty on the transfer of shares, on the transfer of land and on insurance. All have been coming through at a slightly higher level, which will produce between $10 million and $11 million extra this year if the trend is maintained. Therefore, the Government thought it reasonable and desirable to assist the motor industry by lowering the level of increase from 2 per cent for new cars to 0·5 per cent; and from 2 per cent for used cars to 1·5 per cent. This will cost somewhere between $10 million and $11 million in this financial year. The Government proposes to move amendments along those lines, believing this to be a fair and reasonable course of action to take in the light of a changing trend in the motor industry in Victoria over the past three months.

The House divided on the motion (the Hon. S. J. Plowman in the chair).

Ayes	38
Noes	38

AYES

Mr Austin	Mr McKellar
Mr Balfour	Mr Mackinnon
Mr Birrell	Mr Maclellan
Mr Brown	Mrs Patrick
Mr Burgin	Mr Ramsay
Mr Coleman	Mr Reynolds
Mr Collins	Mr Richardson
Mr Crellin	Mr Skeggs
Mr Dixon	Mr Smith (*South Barwon*)
Mr Dunstan	Mr Smith (*Warrnambool*)
Mr Ebery	Mr Tanner
Mr Evans (*Ballarat North*)	Mr Templeton
Mr Hamer	Mr Thompson
Mr Hayes	Mr Weideman
Mr Jona	Mr Williams
Mr Kennett	Mr Wood
Mr Lieberman	*Tellers:*
Mr McArthur	Mrs Chambers
Mr McCance	Mr Cox
Mr McClure	

NOES

Mr Amos	Mr McInnes
Mr Cain	Mr Mathews
Mr Cathie	Mr Remington
Dr Coghill	Mr Roper
Mr Crabb	Mr Ross-Edwards
Mr Culpin	Mr Sidiropoulos
Mr Edmunds	Mr Simmonds
Mr Ernst	Mr Simpson
Mr Evans (*Gippsland East*)	Mr Spyker
Mr Fogarty	Mr Stirling
Mr Fordham	Mrs Toner
Mr Gavin	Mr Trewin
Mr Ginifer	Mr Trezise
Mr Hockley	Dr Vaughan
Mr Jasper	Mr Walsh
Mr Jolly	Mr Wilkes
Mr King	Mr Wilton
Mr Kirkwood	*Tellers:*
Mr McGrath	Mr Miller
	Mr Rowe

PAIRS

Mr Borthwick	Mr Whiting
Mr Lacy	Mr Hann

The SPEAKER (the Hon. S. J. Plowman)—Order! The result of the division is Ayes 38, Noes 38. The numbers being equal it falls to the Chair to give a casting vote. To allow the Bill to be further considered, I cast my vote with the ayes.

The motion was therefore agreed to.

The Bill was read a second time and committed.

Clause 1 was agreed to.

Clause 2 (Increase of duty payable on Bills of Exchange and Promissory notes)

Mr CRABB (Knox)—This clause increases the duty on cheques from 10 cents a cheque to 12 cents a cheque. The Opposition does not oppose the proposition because from time to time it is necessary to increase duty such as this expressed in money values to keep up with inflation.

Looking back over the past six or seven years, one finds that the level of this duty has increased along with the rate of inflation, which, of course, has not occurred with other stamp duty levied as an *ad valorem* duty. This is so with stamp duty on motor registration transfers, and many other duties, including duties levied on insurance, which grow of their own accord and

should not be increased in percentage, and certainly should not be increased in Bills of this kind.

The provision to increase duty on cheques ought to be expected by any Parliament and any Government, every one, two or three years. It is not opposed by the Opposition, although any proposal to increase an *ad valorem* tax to make it grow on itself will be opposed by the Opposition.

The clause was agreed to.

Clause 3 (Amendment of No. 6375)

Mr THOMPSON (Treasurer)—In accordance with the undertakings given during the second-reading debate, I propose to invite honorable members to vote against clause 3. If this course is followed, I shall then move for the insertion of proposed new Clause AA, as circulated to honorable members.

The three basic differences between the existing clause and the proposed new clause are, firstly, that the increase in duty for new cars will be only 0·5 per cent instead of 2 per cent. In other words, it will rise from 2.5 per cent to 3 per cent. In the case of used cars the increase will be 1·5 per cent which means the duty will rise from 2·5 per cent to 4 per cent instead of 4·5 per cent.

The other change is to discourage people from indulging in the practice in border areas, to which some honorable members have referred, of purchasing cars in, say, New South Wales, and bringing them to Victoria at a later date because a lower rate of stamp duty may operate in New South Wales than in Victoria. At present it is possible to transfer registration, as distinct from ownership, without additional charge. Under the amendment it will be necessary to pay an additional charge or a minimum charge of $10—whichever is the greater sum.

The first alternative is based on the principle that if a tax duty had been paid at 2 per cent in New South Wales, the full 4 per cent would not apply in Victoria. There would be a reduction of 2 per cent and the stamp duty tax in Victoria would be 2 per cent of the value of the car as a second-hand car. This move will discourage the practice of which some honorable members complain, of some people buying cars over the border and later bringing them into Victoria still in their names but transferring the registration to a Victorian registration. Of course, it is not possible to use a car, registered in another State, in Victoria for other than a temporary period, which is usually determined as being three months.

These proposals resulted from consultations with the motor industry and hearing its problems, as well as deep analyses of sales of motor vehicles over the past three months.

The CHAIRMAN (Mr A. T. Evans)—Order! Under Sessional Orders, the time for me to report progress has arrived.

Progress was reported.

The SPEAKER (the Hon. S. J. Plowman)—Order! The time appointed by Sessional Orders for me to interrupt business has now arrived.

Mr MACLELLAN (Minister of Transport)—I move:

That the sitting be continued.

The motion was agreed to.

The House went into Committee for the further consideration of this Bill.

Discussion was resumed of clause 3 (Amendment of No. 6375)

The CHAIRMAN (Mr A. T. Evans)—Order! I remind honorable members that the Committee will have to decide whether clause 3 is to stand part of the Bill. It will then consider clauses 4 to 6 and the proposed new clause.

Mr CRABB (Knox)—I understand that the Treasurer has suggested that the Committee vote against clause 3 and proposes to move for the insertion of a new clause. It is extremely difficult to debate the proposal that clause 3 be negatived without debating the clause the Government intends to insert, but I indicate to the Committee that the Opposition whole-heartedly and completely supports the proposal that the Committee vote against clause 3.

What the Government wishes to do about an increase in the stamp duty on the registration and transfer of motor vehicles will be debated when the new clause is discussed.

The clause was negatived.

The remaining clauses were agreed to.

New clause AA

Mr THOMPSON (Treasurer)—In accordance with the explanation previously given, I move:

Insert the following new clause to follow clause 2:

'AA.(1) In section 137A of the Principal Act in the definition of "Application for registration" for the expression "(whether in Victoria or elsewhere)" where twice occurring there shall be substituted the words "in Victoria".

(2) In the Third Schedule to the Principal Act under the heading "XXI. APPLICATIONS FOR REGISTRATION OF AND NOTICES OF ACQUISITION IN RESPECT OF MOTOR CARS AND COMMERCIAL TRAILERS—" for the expression commencing with the words "On every application" and ending with the figures "5.00" (where second occurring) there shall be substituted the following expression:

"(1) On every application for registration of a motor car or commercial trailer which has not been previously registered in Victoria or elsewhere —

for every $200 of the market value of the motor car or commercial trailer in respect of which the application is made and also for any fractional part of $200 of such market value . . . 6.00

(2) Subject to paragraph (3) on every other application for registration of a motor car or commercial trailer—

for every $200 of the market value of the motor car or commercial trailer in respect of which the application is made and also for any fractional part of $200 of such market value . . . 8.00

(3) Where an application for registration of a motor car or commercial trailer is made by a person in whose name the motor car or commercial trailer was last registered and that last registration was effected outside Victoria and that person has paid *ad valorem* stamp duty on a registration of that motor car or commercial trailer under a corresponding enactment to this Act the stamp duty payable on the application for registration shall be—

(*a*) $10.00; or

(*b*) the amount that would otherwise be payable under paragraph (2) reduced by an amount which is equal to the amount calculated in accordance with the following formula—

$\frac{A}{B} \times C$ where—

A is the amount of stamp duty paid under the corresponding enactment;

B is the value of the motor car or commercial trailer at the time *ad valorem* stamp duty became payable outside Victoria; and

C is the value of the motor car or commercial trailer for the purposes of assessing the duty payable under this Act—

whichever is the greater.

(4) On every notice of acquisition of a motor car or commercial trailer—

for every $200 of the market value of the motor car or commercial trailer at the date that the person giving the notice of acquisition acquired possession of the motor car and also for any fractional part of $200 of such market value . . . 8.00"

The new clause will be inserted following clause 2, so it will appear as clause 3 of the Bill.

Mr CRABB (Knox)—At long last, after many hours of debate, the Opposition now agrees with the Bill as it stands. All honorable members, except the Treasurer, would agree with the Bill as it now stands because it will increase stamp duty on cheques by 2 cents, make some minor amendments to some aspects of the stamp duty legislation and will not increase stamp duty on the registration of motor vehicles. However, the Government proposes to insert a new clause that will do two things: It will change the present rate of stamp duty from $5 for every $200 or part thereof on all transfers or new registrations——

Mr Jasper—All new registrations.

Mr CRABB—All new registrations and all transfers of registrations. For a new car it will change the rate to $6 per $200 or part thereof and for a used vehicle the new rate will be $8 for every $200 or part thereof. The new clause also adds the novel and unique provision that when a person registers a vehicle that was last registered interstate there will be a *pro rata* amount payable. That incredible piece of nonsense has been dreamt up in the past week or ten days, and if one stops to think about it for a moment it becomes obvious that it contains no provision to make a person who has registered his car in, say, the Australian Capital Territory, to

register it in Victoria. Why not simply continue to register it in the Australian Capital Territory?

Mr Jasper—He can't if he is a resident of Victoria.

Mr CRABB—I am talking about fleet owners who have offices in every State of Australia. The proposed new clause implies that the fleet owner, who is the problem, will suddenly register vehicles in Victoria. Every honorable member who has addressed himself to that problem has commented on fleet owners who register vehicles in Queensland or the Australian Capital Territory. There is nothing to stop fleet owners from continuing to register their vehicles in Queensland or the Australian Capital Territory. There is no reason for them to switch to Victoria the year after they buy new vehicles. The provision is worthless.

When one considers the poor soul who happens to move from Sydney to Melbourne or from Canberra to Melbourne, one realizes he will have to pay a special *pro rata* stamp duty for the year in which he registers his vehicle in Victoria. In order for that to happen, someone will have to value the vehicle. No provision is made concerning the value of vehicles, so someone from the Stamp Duties Office will have to value them when the owners move to Victoria. That provision is stupid and ought not to be included in the Bill. It does not go to the problem of the fleet owner and is clearly unworkable so far as individuals are concerned.

If an individual moves from Canberra to Victoria and brings his ten-year-old station wagon with him, an officer from the Stamp Duties Office will have to decide the value of the vehicle in order to calculate the *pro rata ad valorem* duty payable on it.

Mr Jasper—He can value it himself.

Mr CRABB—That is so, but that would leave room for argument, taxation appeals and all the rest of it. The honorable member for Syndal suggests there should be a committee of some sort. That is a good bureaucratic suggestion. It fits this Government and that is why the Government has to scratch around to try to raise a few million here and a few million there. There are so many committees of bureaucrats because the Government is trying to cover up its own incompetence. It is bleeding the motorists dry and that is what every member of the Opposition, the National Party and the Government party who has spoken on the subject has said. The honorable members for Geelong West and Noble Park, who are members of the Government party, have criticized the Bill and said that it is unfair.

The proposed measure will raise $20 million from the motorists of Victoria in a full year and it will raise $10 million in this financial year. The Treasurer told me about the proposed new clause before the debate and gave me permission to allude to it during my second-reading remarks, but we did not discuss it in any depth. I assumed the $10 million the Treasurer had found that would allow him to cut back the stamp duty was the $10 million more than was estimated that petrol tax will raise.

Mr Maclellan—No way!

Mr CRABB—I assume the Minister is saying that the Ministry of Transport was able to lobby hard enough to ensure that none of the money it is ripping off motorists will be used to prevent this from happening. The Treasurer did not say it was the petrol tax money that would be used to cut the proposed stamp duty. He said the $10 million would be found from increased stamp duty on share transfers —and every honorable member knows where that is emanating. It is coming from Mr Murdoch and the other people involved in the share exchanges at present, stamp duty on transfers of land and stamp duty on insurance. I expected that the additional $10 million was to come from those sources. I do not doubt that the additional $10 million would be available from those sources, but everyone knows that there will also be $10 million more raised by the petrol tax than was expected. That was pointed out by the Leader of the National Party.

Mr Ross-Edwards—I said $4 million or $5 million.

Mr CRABB—The Leader of the National Party said $10 million. I shall examine the Estimates and discover how much is to come from petrol tax.

Mr Maclellan—$42 million.

Mr CRABB—The Minister of Transport ought to know, as he will be spending it. The price of petrol will have increased from about 25 cents a litre when the levy was introduced to about 30 cents a litre by 1 January 1980. That is a 20 per cent increase. The tax is 4·5 per cent of the wholesale price. A 20 per cent increase in petrol prices will produce an additional $8·4 million in petrol tax. That is the reality and every honorable member knows it. Therefore, the Government has not only the $10 million or $11 million the Treasurer mentioned from stamp duty on share transfers, insurance and land transfers, but an additional $8·4 million from petrol tax. The money is there to enable the Government to leave the clause out of the Bill. There is no budgetary reason for imposing an extra tax on the transfer of old vehicles and the registration of new vehicles.

There has been a horse-trading exercise between the National Party and the Government. It is clear to everyone that the Opposition will vote against the measure. It has told anybody who wanted to know that it will vote against the measure, but the National Party has not yet voted with the Opposition against the third reading of a Bill. It said it would oppose the measure but the extent to which it will oppose it has yet to be seen. I point out to members of the National Party that we are now discussing a new clause. There is no need for the National Party to vote against the third reading of the Bill. All members of the National Party have to do to show their mettle is to vote against the proposed new clause.

The Bill, as it stands at present, will not increase the stamp duty on motor registrations or transfers. At present the Bill would leave the motor trade in its present position. It would maintain the *status quo*. I appeal to the honorable members for Geelong West and Noble Park, and other honorable members who think like them but were not game to say so, or were not allowed to, to think carefully on how they vote on the Bill. I know the last two members who crossed the floor on a Government Bill were expelled, but at least they had pride—which is something, I suppose.

This proposed clause cuts $10 million this financial year from what the Government intended to collect. I have demonstrated that it is quite within the capacity of the Government to omit the proposed new clause entirely. The Government has enough money from the petrol tax, and from the sources the Treasurer described, to forget this clause completely. It is not a matter of going to the wall and having no schools built. Some clown said that it would stop all the water and sewerage projects. What nonsense! It will have nothing to do with it. What will stop those projects is the indolence and lack of imagination and initiative of the Government, of which the honorable member for Noble Park is an integral part, but not for long.

The Opposition believes the Government is not game, not prepared and does not have the intestinal fortitude to cut this measure to zero. Victoria has a Treasurer who wants to be the next Premier, and does not want to be faced down on this. The Treasurer cannot be seen as having been backed down by the National Party to zero, and the National Party cannot be seen as having the Government back down on it. Where is the motorist in all this internal political nonsense? The Treasurer is the meat in the sandwich. He need not be. I appeal to the Committee to vote against the new clause.

Mr JASPER (Murray Valley)—As I indicated, being the first speaker for the National Party during the second-reading debate, the National Party opposed the Bill as presented. It is interesting to see the changes proposed in the amendments. During the second-reading debate earlier today, I indicated that both State and Federal Governments were looking at the motor industry as a ready-made revenue producing machine. I believe the increased stamp duty will be the

straw to break the camel's back, and will have disastrous effects on the industry and on motorists in Victoria.

The honorable member for Burwood betrayed a confidence of the Leader of the National Party which he gained in personal discussions. That was a despicable act, and it typifies the attitude of many of the Liberal Party back-benchers in Parliament today. On many occasions, they may differ with what is in a Bill before the House, but they are not prepared to oppose any of the measures. There is a danger in the type of attitude displayed by the honorable member for Burwood.

I do not think the Treasurer took into account the escalating prices of motor vehicles in the past twelve months. The price of a Holden Commodore rose 15 per cent from approximately $6500 to $7400, an increase of $900, which means that the increase in stamp duty and registration of that car will also be approximately 15 per cent, so that the Government is obtaining a natural increase in stamp duty. This has not been taken into account.

The higher-priced cars in the General Motors-Holden's Ltd range have risen by as much as $3000 in the past twelve months, and this means a larger increase in stamp duty. Broken Hill Proprietary Co. Ltd has indicated that there will be an increase of more than 5 per cent in the price of steel this month. This will mean an actual increase in the price of motor vehicles within six months. The national wage case will probably result in an increase in wages, and that again will increase the price of motor vehicles, and an ever-increasing amount of stamp duty will have to be paid by purchasers of motor vehicles in Victoria.

I am opposed to any increase in stamp duty on motor vehicles, and I reiterate my reasons. The Government will receive, firstly, a natural increase in stamp duty on motor vehicles. Victoria already has the highest duty in Australia and this will have a disastrous effect on the State. Country people, especially, will be most affected by any increases imposed on the motor industry. Secondly, the increased duty will have an effect on the motor industry along the borders of Victoria and New South Wales, and Victoria and South Australia, and the compounding effect will be that Victoria will not develop as it should. People will take their business into other States because of the impositions being made by the Victorian Government. One only has to add it all up. There is a fuel tax in Victoria, and none in New South Wales. The surcharge on third-party insurance has been increased by 100 per cent. The National Party supported both those measures, but I oppose any increase in stamp duty on motor vehicles. I can see by the attitude of the Treasurer that he has not agreed with what has been said.

Mr WALSH (Albert Park)—I join with the honorable members for Knox and Murray Valley in opposing the new clause, because it will create unemployment and put a further burden on the motorist. Before the Bill is passed the stamp duty on a new car which costs $10 000 is $320. If a person bought that car and sold it to his best friend six weeks later for $9000, the stamp duty on the second-hand car would be $360, which is $40 more on a second-hand car sold six months later for $1000 less than the original purchase price.

It is not the affluent people who buy second-hand cars. It is the working class people, and the Government is forcing working class people to pay increased stamp duty on the transfer of registration of a motor vehicle.

The Opposition is totally opposed to the Bill. There should be no increase at all. It is not warranted. The Government has milked the motor industry as much as it can, and has taken as much money as it can from motorists in the measures that have been passed in the past six months. It is costing the motorist twice as much for petrol now than it did twelve months ago, and the Government should not be receiving that revenue. There should not be an increase in third-party insurance. That Bill should never have been passed by the House. The motorist has been victimized enough by the Government in office.

Mr COLLINS (Noble Park)—As suggested, the proposals put forward by the Treasurer are a compromise. From the discussions I have had with the motor trade, this is an acceptable situation. During the second-reading debate, the honorable member for Murray Valley talked of the disastrous consequences to the motor industry. The honorable member for Knox ran away from the motor industry as far as loss of jobs was concerned, and now he is talking about the amount of revenue the Government is trying to raise. That is all he referred to on this amendment. The honorable member is honest enough to admit that. There was no reference to whether this would have a bad effect on the motor industry.

In its proposed form, the increase in stamp duty on motor vehicles will not affect the sales of new motor vehicles. What could affect sales of new motor vehicles in this State is the removal of the protectionist policies adopted over the years by a succession of Federal Governments. In 1971, Australia was only ten years behind America in *per capita* vehicle ownership, but that position has fallen away drastically since then.

Mr CRABB (Knox)—On a point of order, the honorable member for Noble Park in his contribution so far has not addressed himself to the contents of the proposed new clause. What he is doing, is rehashing his second-reading speech.

The CHAIRMAN (Mr A. T. Evans)—Order! I do not uphold the point of order. All members who have participated in this debate have linked the matters they have discussed to the subject of the Bill. I assume that is the intention of the honorable member for Noble Park.

Mr COLLINS (Noble Park)—If the level of *per capita* new motor vehicle sales in this country in 1971 had been maintained, Australian dealers today would be selling 750 000 new units. Those figures were put forward recently by the New South Wales Chamber of Automotive Industry. They obtained consultants in New South Wales to put their case forward to the Industries Assistance Commission, and nobody disputed their figures; they were accepted as a benchmark. The most important factor that will boost the motor car trade is promotion to increase the level of sales.

Mr ROPER (Brunswick)—On a point of order, the new clause being debated is clear and simple. It relates to an increase in taxation for people who purchase new and used cars. The second-reading debate gave honorable members the opportunity to debate the general economics of the motor vehicle industry. The honorable member for Noble Park availed himself of that opportunity during the second-reading debate.

The situation is that when clauses are debated, honorable members from all parts of the House are substantially restricted in what they can debate. They cannot take into account all the ramifications on the industry as a whole. They can only debate the effects of the specific clause upon the industry, whether the clause will cause unemployment or increase the State's revenue.

Honorable members cannot use the debate on the clause to raise the whole issue of the car industry, as the honorable member for Noble Park is attempting to do. I would urge you, Mr Chairman, for the sake of the House to rule those specific remarks out of order so that the honorable member can address himself to the clause.

The CHAIRMAN (Mr A. T. Evans)—Order! All honorable members have participated in the debate. I remind the honorable member for Noble Park that he drew attention to the new car trade and I do not understand how one can refer to new cars without referring to the industry. However, I ask the honorable member to relate his remarks more closely to the contents of the new clause.

Mr COLLINS (Noble Park)—The honorable member for Murray Valley suggested that the motor industry is at the cross-roads. The honorable member claimed that the specific measure will have a disastrous effect on the industry. That is patently not true.

In a letter from Mr Collins, the Chairman of the Victorian Automobile Chamber of Commerce, as to the effect

the proposed increases will have, Mr Collins suggested that 50 000 fewer units will be sold next year. That would be a disastrous situation. However, there is no substance to the figures put forward. Mr Collins's own colleagues in the Australian Automobile Dealers Association of Australia, Victorian Division, do not agree with those figures.

Mr Collins put forward a substantial argument couched in emotional terms suggesting that 35 per cent of sales will be reduced because of a percentage increase in stamp duty. This measure now represents a $50 increase in stamp duty on a new motor vehicle worth $10 000. It is sheer nonsense to suggest that will reduce the level of sales in the fleet area by 50 000 units which represents 35 per cent of the total volume of sales. The honorable member for Knox does not agree with that. The honorable member for Murray Valley fears that Mr Collins' predictions will come true.

I turn to the used car situation. The amendment would specify a 1·5 per cent increase. When recent statements were made about energy problems, the used car trade lost hundreds of thousands of dollars. One member of the Victorian Automobile Chamber of Commerce resigned himself to losing $100 000 off the value of his stock in one week of operation. That member lost $2500 or more per vehicle. V8 Fairlane sedans were selling for $4500 or $5000 and those vehicles were in first-class condition. Two months before the announcement of an energy crisis the same vehicles were selling for $10 000. The prices went from $10 000 to $5000 in two months. The vehicles are now worth $6500 to $7000.

The used car industry, which is generally more flexible than the new car industry, will raise and lower its prices as the market situation demands and dictates. The honorable member for Knox is well aware that the used car market fluctuates widely.

Honorable members have raised the situation of vehicles registered interstate being brought into Victoria and subsequently reregistered by the original purchaser. I do not believe any honorable member could seriously object to a $10 fee being levied against somebody who brings a vehicle over the border and goes through the reregistration process. The majority of vehicles that fall into this category are reregistered by dealers and a standard $10 fee will apply to most of those transactions. There would not be any problem with the value of vehicles because of receipts and documents necessary to prove ownership. Any honorable member who does not know that most such vehicles come through dealers should go to the Motor Registration Branch and check. I support the Treasurer's proposition that such a fee should be applied.

If one intended to purchase a $10 000 Holden from General Motors-Holden's one would not go to New South Wales and pay the $60 transportation cost. People who want to use vehicles in Victoria will purchase them in Victoria. It would cost someone a lot of money to go to New South Wales to buy a new car and bring it back to Victoria. I support the proposed amendments.

The Opposition at no stage referred to the fact that Victoria, because of the amendment, will pay less stamp duty than people in South Australia, a State the Labor Party has overwhelmingly represented until recent times.

Mr McGRATH (Lowan)—I express concern on behalf of the motor traders in my electorate. I conducted a survey among them about the proposed increases in stamp duty on new vehicles. The motor traders have indicated that they would accept a 3 per cent stamp duty on new and used cars. I am concerned about the proposed levy of 4 per cent stamp duty on second-hand vehicles.

The sale of new cars depends upon the ability of motor traders to quit the stocks of second-hand vehicles. They cannot be expected to have immense amounts of capital tied up in second-hand cars and not be able to turn stocks over and continue trading. That is why I am concerned about the 4 per cent stamp duty on second-hand vehicles.

Eight out of ten buyers of second-hand vehicles usually purchase a vehicle on a hire-purchase agreement.

If one adds the 2·1 per cent stamp duty on a hire purchase agreement, one discovers that that purchaser is up for 6·1 per cent stamp duty on the purchase of a second-hand vehicle.

There are three sectors of the economy which make it healthy. If the rural, building and motor industries are flourishing, Victoria's economy flourishes. I question the 4 per cent stamp duty imposed on second-hand vehicles.

Mr JOLLY (Dandenong)—The amendments that the Government has placed before the House have obviously been hastily decided upon. The amendments suggest an increase in stamp duty which will add to the rate of inflation.

Victoria's rate of inflation in the September quarter was higher than for Australia as a whole. The forecasts commonly made in economic circles is that the inflation rate for the December quarter will be about 3 per cent. That is an inflation rate, on a yearly basis, of 12 per cent, which is extremely high.

The honorable member for Noble Park did not elaborate on the employment implications but clearly the levy will affect the employment situation. The honorable member for Noble Park confidently asserted that a 0·5 per cent increase in the stamp duty on new cars would not affect the level of employment in the automobile industry. I ask the honorable member to explain the basis of that statement.

The increase in the stamp duty on new cars amounts to an increase of 20 per cent. The increase in stamp duty on used cars is 60 per cent. Apart from affecting employment, there is no doubt that the increase will cause a drop in sales and, therefore, an increase in unemployment in the industry.

The increase in indirect taxes through stamp duty indicates that the Government is relying upon regressive taxation. The Government believes in the philosophy that the poor pay more. That is implied in the amendment. As the honorable member for Albert Park stated, the 60 per cent increase in stamp duty on used cars will mean that low income earners will bear a disproportionate burden of the increase in stamp duty that will apply as a result of these clauses being implemented.

It is estimated that the proposed increases will yield an additional revenue of $10 million. The Treasurer has not explained how that figure was arrived at. I shall disaggregate the figure from the three specific measures included in the amendment. Firstly, the increase in the stamp duty on new cars from 2·5 per cent to 3 per cent, represents an increase of 20 per cent.

It would be interesting to learn the substance of the assumption the Treasurer has made to estimate how much revenue will be generated from the increase in stamp duty on new cars from 2·5 per cent to 3 per cent. I dare say the Treasurer does not know, but I would also be interested to know what assumptions were made on effects on the sales of new vehicles following the introduction of the new stamp duty of 3 per cent.

For used cars, there is to be an increase of 60 per cent in the stamp duty because the new rate will be 4 per cent instead of 2·5 per cent. If we set up a mechanism under which people who were planning to buy used or second-hand cars would be discouraged from doing so, and were encouraged to buy new cars, this might be a way to help the new car industry but, again, it would be interesting to know what estimate has been made of the revenue to be yielded from this measure under this provision and whether an assumption has been made of the effect on sales of second-hand or used vehicles in this State.

It is important to ascertain these things because, unless the Treasurer has the information, the estimate of $10 million may have been plucked out of the air and given without any foundation at all. It appears to be convenient to claim $10 million as the amount expected to be obtained under the measure, but I suggest there has been no justification given for the estimate or any detailed elaboration made of the assumptions underlined in the estimate of $10 million.

I conclude with a comment on the absolutely crazy portion of the amendment referred to by the honorable member for Knox, which provides that if a vehicle is to be registered in Victoria, which was previously registered interstate, an amount of $10 will be paid or an amount assessed on the market value. The honorable member for Knox made it quite clear: how are we to assess the market value?

Mr Thompson—The method is in the Act already.

Mr JOLLY—What will the cost be in assessing the market value? What sort of bureaucracy is involved? Again, I would appreciate details being made available by the Treasurer on how much revenue this is expected to raise in the 1979–80 financial year. Clearly, the amendment is a hastily prepared document and the regressive and inflationary tax and should be opposed.

Mr ROSS-EDWARDS (Leader of the National Party)—I shall deal with the minor part of the amendment first, that is the amendment affecting motor vehicles registered in other States and being reregistered in Victoria. I agree with the sentiments expressed by the Opposition. The amendment is unrealistic and is one which will not be enforced to the letter. To what extent it will be enforced is hard to calculate because it is a law that is not being enforced at present. There is no large cost involved now but with the additional cost involved, one can understand why people will use all sorts of methods to avoid paying the additional fee, particularly when stamp duty on second-hand cars will be—the honorable member for Knox will correct me if I am wrong—somewhere in the vicinity of three times that payable in New South Wales. If people are not reregistering their cars in Victoria now, or are waiting until the registration becomes due, I cannot understand why they will be acting more quickly in the future.

I understand that the honorable member for Burwood said he would need to take his car to New South Wales. If one wants to register a car in Tasmania, I understand it is a much more simple procedure. One writes a letter and receives the car plates through the mail. One can have one's car registered in Tasmania and have the plates forwarded to Victoria through the mail, and then one only has to put them on the vehicle. Although I only obtained that information second-hand, I understand it to be right.

The original proposal of the Government was to add 2 per cent to the present rate of stamp duty payable on new cars and second-hand cars. Under the amendment it is proposed that the increase payable on new cars will be reduced to represent an increase of 0·5 per cent. I personally feel that is a reasonable amount, an amount with which I am prepared to go along. It means that a new car costing $8000, which would have attracted an additional stamp duty of $160, will now be attracting an additional amount of only $40.

Mr Crabb—Still more than anywhere else.

Mr ROSS-EDWARDS—I will come to that in due course. The Committee is not considering a good tax; it is a shocking tax. So far as second-hand cars are concerned, the stamp duty will be increased by 1·5 per cent and I feel that is unreasonable. I have spent many hours with the Treasurer extending from Thursday of last week, through Friday, on the phone yesterday, and today and I believe a reasonable and fair thing would have been to provide for used or second-hand cars to attract extra stamp duty of 0·5 per cent, or 1 per cent at the outside. That is my honest to goodness view; that would be a reasonable move but I am disappointed that the Treasurer has refused to come that far.

I have also spent some time with the advisers to the Treasurer and I have asked many questions about the Budget and received answers which I believe were given in good faith, as they always are, from the officers of the Treasury. Although their advice may not prove to be accurate as time goes

by, their advice is certainly given in good faith and to the best of their ability at the time.

What must be remembered is what has been achieved. The National Party, and I personally take some credit for this, at this stage has achieved a reduction in stamp duty revenue from $40 million in a full year to $20 million. What has been achieved has been achieved by the National Party, the motor industry and various other people who have made representations. We have achieved a reduction in stamp duty revenue of $20 million. This is unprecedented and something which has never occurred before in my time in this Parliament. It means one of two things. It certainly means that the tax was ill conceived; that the Treasurer and the Government were out of touch with the motor industry, the public and the economy, and therefore it had to make some drastic changes.

It also obviously means the Treasurer has, by some unexplained means, been able to absorb the $10 million loss of revenue in the second half of this financial year. That is one of the matters which disturbs me more than anything else because the Treasurer is virtually admitting that he had $10 million to spare, which enabled him to agree to a reduction in stamp duty receipts. If the Treasurer had $10 million available what worried me was whether he had more than $10 million. However, I am assured by the Treasurer and his officials that that is the absolute limit to which they can go.

Mr Crabb—What about petrol tax?

Mr ROSS-EDWARDS—I do not know whether the honorable member for Knox has spent the time I have spent with Treasury officials in questioning them about the petrol tax, and although I admit that it is a growth tax in a very big way, the growth will only commence in about March or April, 1980. However, there will be a tremendous increase in petrol levy income in the next financial year—there is no shadow of doubt about that—but on this occasion I have calculated it carefully and the figure I have been given is not excessive. Although I think it may be an underestimate, it has been calculated that there will be only an additional $4 million or perhaps $5 million more than has been budgeted for.

Mr Cathie—It could be more.

Mr ROSS-EDWARDS—I am inclined to agree it could be more, but in the 1980–81 financial year I am quite certain, and this view is shared by people who are in a better position to judge this than I am, that there will be a remarkable increase in what will be obtained by the State from petrol tax.

The National Party was faced with a difficult problem, because when the Budget was framed, stamp duty was a part of the over-all Budget. Stamp duty is a bad tax, a tax which no one wants and the National Party opposed that tax by voting against it at the second-reading stage, but, now that the increased revenue from stamp duty will be reduced to $10 million for the period January to June 1980, if the National Party votes against that proposition, it has to take the responsibility for its action.

The point is it was only a couple of days ago—I make no apology for my party for this—that the National Party supported the view taken by the Opposition, as it felt more Government revenue should be expended on such matters as water supply, public works, forests and transport in this financial year compared with the last financial year and on at least two occasions we divided the House on that issue. I make no apology for that stand.

On those vital and fundamental matters, the National Party held the view that there should be no real cut in spending and therefore took a similar view to that of the Opposition and, as I have said on at least two occasions, the National Party voted on that issue. Having done that it is now faced with a further cut of $10 million in the State Budget which the Treasurer has informed us the Budget cannot take.

If the National Party votes for that further cut of $10 million, it will not be in a position to ask the Government for extra expenditure in other

fields and cannot expect the Government to direct any surplus which may be obtained to expenditure on such matters as water supply, forests, transport and public works. One cannot knock a tax against the best Treasury advice available and then expect increased spending on other matters.

Mr Crabb—Why did you vote against the second-reading motion?

Mr ROSS-EDWARDS—The National Party voted against that motion because it was voting against a revenue increase of $20 million from 1 January to 30 June which under the proposed amendment will now be reduced to $10 million. Logically, Government supporters should have voted against the second-reading motion but if they had it would have defeated a Budget Bill and that is the simple reason why they did not.

Mr Simpson—You are supporting an increase of $20 million.

Mr ROSS-EDWARDS—Members of the National Party are taking a responsible view. It is easy to laugh and criticize but, as I said before, this is part of the over-all Budget proposition and on balance we have decided as a party to take a responsible view and support the measure.

There is one matter to which I should like to advert, and that is that the honorable member for Murray Valley, who has very definite and strong views on this matter, will vote against the amendment. He will do so after discussion with other honorable members of the party.

Mr Crabb—He has more guts than you.

Mr ROSS-EDWARDS—It is not a case of having more guts, he has conferred with the party and the party members have agreed to his taking this course of action. I give him full marks for doing that just as I give my other party members the same full marks. I compliment them for taking the stand they have because this is something which is not done by the Government or the Opposition.

Honorable members interjecting.

Mr ROSS-EDWARDS—It was not done by the two members mentioned by the honorable member for Niddrie, they abstained from voting. They did not cross the floor but here is a member who is game enough to cross the floor; here is a party which has principles and has members who will allow the honorable member for Murray Valley to cross the floor and do so without embarrassment.

That is something that the Opposition cannot do. Honorable members get little praise in this Parliament for acting on their conscience. The National Party has acted responsibly. It accepts that it will be open to criticism but one cannot be popular in this world all the time.

Mr CRABB (Knox)—One can feel sorry for members of the National Party who have to vote with their Leader. They have claimed that country people will be the hardest hit by the proposed legislation. The National Party said that the proposed legislation is stupid. The honorable member for Gippsland South described the tax as a rip-off. However, when it comes to the crunch, members of the National Party do not have the guts to vote against the Bill and thereby defeat the Government on the floor of the House.

In a letter I received from the possums defence committee, I was told to stop referring to possums in reference to the National Party because possums are not slimy. Members of the National Party have said, as has been said on every taxing Bill, that they cannot vote for this measure and that they would front up to the rotten Liberals on the Stamps Bill.

Mr Ross-Edwards—We did not say that.

Mr CRABB—That was the impression gained by members of the Opposition.

Mr Ross-Edwards—That was on the petrol tax.

Mr CRABB—Members of the National Party said that increasing third-party insurance premiums was a bad form of taxation.

The CHAIRMAN (Mr A. T. Evans)—Order! Earlier when the honorable member for Noble Park was speaking on the amendment the Opposition queried a ruling from the Chair concerning the relevancy of an honorable member's remarks. I remind the honorable member for Knox that he is going far wider than the honorable member for Noble Park and I ask him to keep closely to the amendment.

Mr CRABB—I would think that every country member in the House would be ashamed to vote for this measure because, as has been stated by other honorable members, particularly members of the National Party, the amending legislation hits country people harder than anyone else because in country Victoria people have no option but to have a motor car. The honorable member for Gippsland East knows this to be correct and it will be interesting to note how he votes. Presumably, he does not have the guts to cross the floor. The National Party wanted to be in coalition with the Government Party and even this weak-kneed Government is able to make it back down. The best that could be gleaned from the speech of the Leader of the National Party was his statement that there will need to be regular consultations if the National Party is to support the Government again.

The honorable member for Burwood may well laugh because members of the National Party are a miserable, gutless lot. When pushed to the wall, the best they can say to the Government is that they will not back it again. They say, in effect, "If you won't talk to us, we will hit you with a handbag". That is the attitude of the National Party which makes so much noise about the extent to which it stands up for the interests of country people. Members of the National Party stand for nothing except to support the Government. Why do members of the National Party who do not have the guts, not joint the Government, or perhaps it will not have them. Is that the essence of it? I notice that the honorable member for Gippsland South had already moved on to the Government benches. Perhaps he is finding himself a comfortable position!

The CHAIRMAN (Mr A. T. Evans)—Order! I remind the honorable member for Knox that coalition and positions of respective parties has nothing to do with the amendment.

Mr CRABB—In recent days the National Party has gone through the motions and machinations, of which many people have been aware, of rejecting the Government's propositions and negotiating for better proposals. However, what happened in the end?

Mr Ross-Edwards—We did a lot better than you did. You got nothing.

Mr CRABB—The pious hypocrite says, "We did a lot better than you did". The fact is that if members of the Opposition had not opposed the measure in the first place, nothing would have been done.

The CHAIRMAN (Mr A. T. Evans)—Order! I ask the honorable member for Knox to withdraw the references he made to the Leader of the National Party.

Mr CRABB—I withdraw whatever it was.

The CHAIRMAN—Order! I ask the honorable member to withdraw his remarks.

Mr CRABB—I thought I had withdrawn them. I withdraw them again. The point I make is that through all the negotiations and machinations of recent days, the National Party has been pushed to the wall and had to accept the first offer that was made. This is the reality of the situation. All the crafty little winks and sneers that they were going to negotiate, and so on, were nonsense.

Mr Ross-Edwards—No one said that.

Mr CRABB—The Leader of the National Party would have to be the worst mediator the world has ever seen.

Mr BURGIN (Polwarth)—On a point of order, Mr Chairman, the honorable member is defying your previous ruling. Honorable members are debating amendments and for the past ten minutes those amendments have not been mentioned in any way.

The CHAIRMAN (Mr A. T. Evans)—Order! I do not uphold the point of order.

Mr CRABB (Knox)—Thank you for your ruling, Mr Chairman. The last person an employer would hire to act as a negotiator in a trade union dispute would be the Leader of the National Party. He would not be a successful negotiator; he would be the worst. He has been conned by a supreme con man. The Treasurer, who is such a nice gentleman, has led the National Party to believe it would get something more than envisaged in the Bill before honorable members. However, negotiations clearly have gone only as far as giving half of what the National Party wanted.

Mr Ross-Edwards—You got nothing.

Mr CRABB—The Government has demonstrated that it cannot get its taxation legislation through this House, and it has had to cut it in half. The National Party has demonstrated its incapacity, weakness and general sliminess and, when the opportunity arose, it reneged on everything it had said to the country people of Victoria and the motor industry. Members of the National Party said that they would oppose this measure. At the last minute, they backed off and slimed their way across to the Government benches like a lap dog waiting for its head to be patted by Government supporters. The Government should continue to have nothing to do with them. I would not have them in the Labor Party and the Government should not have them either.

Mr B. J. EVANS (Gippsland East)—The whole purpose of this institution is for discussion and debate and the eventual deciding of the attitude of Parliament to legislation placed before it. I suppose one would expect ridicule, derision and similar types of expressions to be used in the course of debate. I do not believe expressions of that type win arguments, nor should they be the basis of logic for the way this country will be run. In deciding who is best at insulting everyone else, the National Party will concede to the Labor Party Opposition at any time. I believe the Labor Party is closely followed by the Liberal Party in that regard.

I am proud that members of the National Party are not experts in the art of insult. We believe we are realistic and understanding and, above all, we are prepared to compromise, and that is what Government is all about. One of Parliament's functions is to hear points of view, expressions of opinion and representations from all parts of the State and come up with a compromise point of view. People in the country know only too well how the Labor Party in Canberra, when it formed the Government, would not compromise on anything affecting rural areas. Members of the Labor Party tell people in the country how they stand up for the rights of the country. They can tell them that as long as they like but not one per cent of people in rural areas will believe them. They know precisely what a Labor Government can do to them.

The attitude of members of the National Party on the proposed legislation has been reasonable and sensible. At the outset we pointed out that we would oppose the Bill in its original form. When the Bill was introduced it contained certain provisions which have since been removed. We indicated clearly to the people in the areas we represent that we were opposed to the original measure. That is not the proposition honorable members are discussing at present. Amendments to the Bill will mean a reduction of $10 million in revenue in this financial year. Surely, no one would be so unreasonable as to say that is not a major change in the Government's attitude to the proposed legislation.

Mr Amos—You could have had a complete defeat, not just $10 million.

Mr B. J. EVANS—It has been stated that we could have had a complete defeat. All honorable members have referred to the fact that in many areas we are looking for additional Government expenditure. In fact, I believe very strongly and, in recent weeks I have expressed the view in the House, that the Government has left country areas in the lurch so far as expenditure is concerned. The Opposition has put forward the argument that this amending measure will hit country people harder than city people. I cannot see the force of the argument that country people buy more cars than city people. I do not believe

they do. I know they rely more on their cars than city people. However, many people buy cars in the city and use them for week-end drives and not much else. These people will still have to pay the duty whether they use their cars every day of the week or only at week-ends. Therefore, I imagine that the impost will fall more heavily on those people. Not many Rolls Royces and Alfa Romeos and such expensive cars are seen in the country but they are seen in the city and owners of these vehicles will be hit the hardest by this proposed legislation.

If the situation is examined calmly, reasonably and logically, it becomes clear that members of the National Party have acted responsibly. We do not like the additional taxes on the community but the reality must be faced that the Government must have more money in order to meet its obligations. Therefore, the attitude of the National Party has been responsible during the course of the debate.

Mr WALSH (Albert Park)—I certainly formed the impression that the National Party intended to oppose the Bill when the honorable member for Murray Valley said that he was totally opposed to any increase in stamp charges on motor vehicles. I was shocked to hear the Leader of the National Party say that the National Party intends to support the Bill. There must be some sort of division in the National Party. If the National Party is saying that it cannot knock back the revenue that will result from this measure, why was it not honest and support the original proposal?

One can see what will happen in the country in the near future, especially in the used car area where no doubt unemployment will increase. In Mildura, on the October figures, 234 people were applying for one job that was available. When unemployment increases in Mildura and other country areas, what will the National Party say if people from the motor industry join the Commonwealth Employment Service queues again as a result of the support of the National Party for these clauses. Members of the Opposition still oppose the clauses, and we will be opposing them all the way.

The Opposition will oppose the proposed new clause all the way.

Mr CAIN (Bundoora)—I add my voice of opposition to the amendments. The House is being told that whereas it was wrong to take $40 million out of the pockets of the people of Victoria each year it is all right to take out $20 million. That money is taken out of the pockets of the people who buy cars, either for private or business purposes.

The Labor Party fought the Bill at the second-reading stage and took what it thought was a principled stand and believed that the National Party had done likewise. The National Party expressed strong views about the imposition of this levy on car purchases but, strangely, in the matter of a few moments, all that so-called principle seems to have dissolved. It no longer concerns the National Party that this levy is being imposed on the people of Victoria.

It is clear that what honorable members have seen demonstrated tonight is that we do not have, in this Parliament, a three-party system but that we have a two-and-a-quarter-party system—two parties which take generally opposing views and a third or quarter party that seems to sell its support to the highest bidder.

Mr B. J. EVANS (Gippsland East)—On a point of order, I believe that the imputation that the honorable member for Bundoora has just made, that the National Party sells its principles, is an imputation on members of my party and it ought to be withdrawn.

The CHAIRMAN (Mr A. T. Evans)—As the honorable member for Gippsland East takes objection to the remark, I ask the honorable member to withdraw it.

Mr CAIN (Bundoora)—If the honorable member for Gippsland East takes objection, I am happy to withdraw it. All I suggest is that the National Party trades its support for what it seems as a fair price. If the honorable member for Gippsland East finds that insulting, I am sorry, but that is what has happened tonight. Honorable members have

witnessed a trade-off for half the price —it is as simple as that. Let there be no secret about it, the National Party is well practised in this role. It has played it in this and other Parliaments for 30 years. It has played it well and successfully and it is within the memory of some honorable members that the National Party played the same role when it had enough numbers to form a Government. It played the same role in Government in the mid-1930s and 1940s. It is nothing new.

No honorable member was surprised tonight to see a deal being made again. It is the old political game that the National Party has played so well for many years. This is another version. This time the National Party has done a deal for $10 million and that is the cold hard reality of the situation. I see some nods of affirmation from the corner bench.

The only question one might well ask is, "What is the price that has been paid?" Is it immunity? Is it coalition, as the Leader of the Opposition suggested, or is it preferences? We will learn in the next six months. It may relate to Peter Nixon, but it is clear that, so far as this amendment is concerned, a political deal of some consequence has been done. Honorable members are observing the results of it tonight.

The so-called principled stand and the concern about the ravages of this sort of tax on the people of Victoria have dissolved in a short space of time. By interjection, the honorable member for Carrum says the members of the National Party are paper tigers. It may be that the National Party has been more subtle in the past and honorable members have not known about the quid pro quos, but it is clear that for $10 million this one will be substantial.

The CHAIRMAN (Mr A. T. Evans)—I draw the attention of the honorable member for Bundoora and other honorable members to the fact that the debate has gone far outside the contents of the Bill and is getting to a personal basis. I ask the honorable member for Bundoora to return more closely to the contents of the Bill.

Mr CAIN—I am not getting on to a personal matter. I suggest that the amendment before the committee now is the matter we are considering. There are certain reasons why certain attitudes have been taken. I submit I am entitled to put them.

The CHAIRMAN—I do not accept that. Although it may not be a personal matter it is getting on to a basis which is unnecessary to be raised in relation to new clause AA. I ask the honorable member for Bundoora or any other speaker to abide by my earlier ruling.

Mr CAIN—The new clause AA imposes a tax upon the motoring public of Victoria of $20 million a year or $10 million for the remainder of this financial year. I am entitled to canvass the reasons why this provision is being supported by certain members of this House. I am saying that the reason is that a price has been offered and a price accepted for support to get this measure through. There is no doubt that had the National Party desired to stand up to the Government, a certain result would have followed in this place tonight, the defeat of this measure which imposes a tax on the public could have ensued had the National Party wished. It is clear that the National Party does not want that to occur.

Mr Whiting—That is supposition.

Mr CAIN—It is fact, not supposition. The National Party should take its chances on the vote—the opportunity is available but it is not prepared to take it. The National Party has made a decision that puts it on the side of the Government and makes the comments during the second-reading debate pious platitudes upon which no member of the public can base credibility in future. It is nothing but a cynical exercise and should be characterized as such by the members of the Committee.

Mr BURGIN (Polwarth)—I can well understand the disappointment of the Opposition in this matter. Apparently members of the Opposition had the idea that this was the time when the Government was going to be defeated on a measure. The last three speakers have put that issue forward. Clearly, the

Opposition is disappointed. At least the members of the Government party and the National Party are honest. They are not hiding behind an idea of trying to get something through to the public that they do not mean. That is what the Opposition is doing. They have not put any pressure on Ministers or the Government to do something about this Bill.

The CHAIRMAN (Mr A. T. Evans)—Order! I remind the honorable member for Polwarth, as I have reminded the Committee on two previous occasions, that supposition on what a party should have done or has done is not directly related to the Bill. I ask the honorable member for Polwarth to confine his remarks to new clause AA.

Mr BURGIN—The Government and the National Party have indicated to the Committee what they are going to do about this clause. From what has been said, it is not supposition which way the vote will go when it is taken, because most people have given some indication of how they will vote. They have been honest in giving those indications for the reasons stated.

The last three speakers from the Opposition have at last been honest and stated why they are voting against the amendment—because it could be defeated, not because of what it proposes because in previous debates on Budget matters the Opposition showed that it wanted more money to be spent. The Opposition is against one of the few measures that will raise revenue to run the State.

I know from the work I have done on this matter in the past that many members of the Government party and the National Party have tried hard to have the effect of this tax reduced. It was believed it was wrong that the motor industry should, on top of all of the other imposts, be faced with this additional burden. Because of the work done by many people a reasonable and responsible compromise has now been found. There will be a revenue loss that will have to be made up from other sources. The fact is that this amendment will reduce the amount of revenue this year that was to be taken from the motoring industry and public. It will reduce it by $20 million in a full year. It is better than the original proposal. I compliment all honorable members who tried to have the proposed tax reduced. The bulk of the work was not done by the Opposition. The Opposition has opposed this Bill as it has others but in this case it opposed the Bill believing that the National Party would vote with the Opposition. Members of the Opposition are now disappointed.

Mr REMINGTON (Melbourne)—I oppose new clause AA and support the argument put forward by members of the Opposition. I do not agree with the honorable member for Polwarth who said that members of the Opposition are disappointed that it does not appear that the National Party will vote against the clause. On a cold and hard headed analysis, how could the Opposition expect the National Party to vote against the Government on a Treasury Bill? Members of the Opposition are disappointed and annoyed that National Party opposition was projected to the Bill itself, and therefore to such an amendment as new clause AA when speaker after speaker huffed and puffed and gave the false opinion that they were opposed to the Bill but when the crunch came, the National Party was shown to be craven and subservient to the Government. How could the National Party vote against a Treasury measure?

The CHAIRMAN (Mr A. T. Evans)—I ask the honorable member to relate his remarks to new clause AA. He has enough latitude to refute any submissions by opposing speakers and I now ask him to talk to new clause AA.

Mr REMINGTON—The Opposition opposes the amendment for the same reason that it opposes the Bill. The amendment increases the tax on new vehicles to 3 per cent and on second-hand or used cars to 4 per cent. When the Treasurer introduced his amendment he made an attack on the distribution of tax revenue from the Federal Government to the States and was critical of the fact that the smaller States were receiving more than he thought they ought to be receiving, and Victoria was receiving less.

Prior to the introduction of proposed new clause AA, he criticized this aspect of the Federal Government's distribution of funds to the State, but he cannot explain why it is necessary to make the amendment when in the neighbouring State of New South Wales the rates are 2 per cent under the same financial arrangements of that State with the Commonwealth. However, under the unfortunate Victorian Treasurer the duty will be 4 per cent for used vehicles and 3 per cent for new cars.

The proposed new clause AA is analogous to the Bill and this fledgling Treasurer cannot manage the financial functions of the State because he has had to introduce this Bill whereas the Wran Government in New South Wales has been able to run the affairs of that State successfully without such imposts on motorists.

The Opposition is opposed to the new clause because it has its genesis in the new type of federalism. If it were not for the type of federalism that the Fraser Government adopted and which was widely embraced by the Victorian Premier, it would not have been necessary for the new Treasurer to increase indirect taxation on motorists who form the bulk of the community in Victoria, because in increasing the duty on petrol the Federal Government has ignored the capacity to pay. No longer does the Government look at the income from profits, salaries and wages to ensure that the wealthy pay more in taxes than the lower income earner.

The Government, by moving for the insertion of the new clause, has resorted to a form of flat taxation which penalizes the man who lives in Flemington and who buys a 1969 used Holden to the same degree as it penalizes a person from another part of the State who receives a higher income and buys a similar vehicle.

The National Party has sold its soul and says that it will back an increase of only $20 million—it is being generous—if consideration of the needs of the people in the country who will buy used vehicles is spelt out in the new clause; everybody will be penalized in the same way. The National Party, by supporting the proposed new clause, is accepting an increase of $20 million for city and country people. The National Party stands condemned and it will suffer for supporting the proposal. It has lost credibility and can no longer hold up its head as an independent party in this House.

In the same way the new Treasurer has also suffered a severe loss of credibility by the introduction of this new clause. Only three weeks ago he brought down the Budget in this House based on an increase from 2·5 per cent to 4·5 per cent to provide an additional $40 million through this impost. The Treasurer based his Budget on that figure, but obviously did not think of what the consequences would be. He did not take into consideration the economic effect that this impost would have on the general economy of the motor vehicle industry, the industry in the Murray Valley, or on inflation.

The whole of the Federal Government's impost this year on motorists through petroleum costs and charges will add 1 per cent to the inflation rate throughout Australia. The Treasurer and his counterparts in Canberra say that inflation is damaging the economy of this country, but at the same time the Treasurer, through the Budget and the proposed new clause, continues to fuel the inflationary fires that burn throughout Victoria. This Bill has given no credibility to the fledgling Treasurer and certainly less to the National Party.

Mr GINIFER (Keilor)—The stage has been reached in this debate where the National Party, which one might call the mistletoe of politics in Victoria, latched onto the Labor Party, then halfway through latched onto the Government. The National Party has used the Labor Party's debating prowess to put the Government to the wall on this Bill. The debate was led for the National Party by the honorable member for Murray Valley, who took the position of attacking the Government, the Labor Party and everybody else. The Leader of the National Party told the House in clear and concise terms what amendments were around the corner and where we were going. Now

the honorable member for Gippsland East has admitted that the National Party was quite happy to settle for new clause AA if it would mean the greatest impost would be on people in the metropolitan area, that more funds would be raised and therefore more funds would go to rural Victoria. The Opposition understands all that, but it also understands that the clause means an impost will be levied on all the people in Victoria, with the heaviest emphasis on those in Melbourne. There is no need for that.

The Treasurer will ask where he will get his funding, but he has a substantial Treasurer's advance account—the largest in the history of Victoria—which contains $95 million, and could provide cushioning for many things. It may be said that this may give rise to an escalation in charges and lead to political bribery, but members of the Labor Party are opposed to that proposition and to the way in which the National Party has used its numbers on this measure. We understand why members of the National Party did that; they can go back to the country and say that they cut the duty back by 50 per cent. They can see better returns in grants for their own constituents because the funds will be raised in the metropolitan area.

Members of the National Party will also be held responsible in any campaign on this issue because smaller numbers of people have to pay *per capita* the same amount, but they will gleefully say that the metropolitan residents have to pay. The National Party stands condemned for the attitude it has taken and the decision it has made. Everybody knows that if this legislation failed the Government would not have fallen with it, because the Treasurer has plenty of money in the advance account to cover up, and there is still plenty availabe for the services required, but those moneys have been held there as an insurance for any political blackmail that might be put on the Government by the National Party.

Mr SIMPSON (Niddrie)—I shall not delay the committee long at this late hour of ten minutes past midnight, but I want to make several points. Much discussion has taken place to the effect that the decision of the National Party has meant that in a full year the total revenue from this tax will be reduced from $40 million to $20 million. The reality is that at this moment, as we are debating the clause, no alteration has been made to the existing legislation, so the clause will mean, if the amendment is passed, that there will be an increase of $10 million for the remaining six months or increase of $20 million over a full year. Therefore, what honorable members are actually discussing and will be voting on is not a cutback but an increase, because at the moment the *status quo* remains, and if the Opposition, with support, opposes the proposed new clause successfully, no increase will be made. If the proposed new clause is supported, an increase of $20 million over a year will be made.

The honorable member for Gippsland East said, "But you get to a situation where you have to compromise. That is what politics is all about". I want to know with whom he has been compromising. Each and every member is elected to Parliament to represent a particular constituency, and I shall be interested to know whether the honorable member for Gippsland East has reflected the views of the people he represents and if they have said to him, "We want you to compromise by supporting this part of the Bill to provide for an increase of $20 million over a year".

That is not the instruction the constituents of Gippsland East would give the honorable member. If the honorable member for Lowan went to his constituents and said, "Do you want me to compromise and agree to an increase of $20 million in a twelve-month period?" he would be misleading his constituents because the compromise is not with the electors but the Liberal Government. That is not why people in country areas have elected country members. If they wanted the National Party to do a deal with the Liberal Party, they would have elected Liberal Party members.

Country people vote for people to represent them in Parliament and obtain the best possible deal.

There is no way National Party or Government members could go to their constituents and say, "We have given you every consideration in this matter." It would be fair to say that the Labor Party, over the years in country areas, has had some difficulty finding an issue that rallies people to it. If ever the Government, and, especially the National Party, has done the Labor Party a favour, it is in this area because the Government has made a decision, which the National Party has supported on this issue, and I assure Liberal and National Party members that the Labor Party will grab that opportunity with open arms.

Mr McINNES (Gippsland South)—The honorable member for Niddrie and his colleagues have indulged in an exercise in semantics. There has been an unwarranted assumption that both the Speaker and the Chairman would cast their votes with the Government. No honorable member is aware how the votes will be cast. However, members of the National Party are aware of the tardiness of the Opposition to move when the National Party opposed the Bill at the second-reading stage.

The National Party accepts what is a sensible amendment. Once the National Party saw the colour of the amendment and the 50 per cent reduction, it considered its view and realized it would save the motorists $10 million in six months and, presumably, $20 million in a full year. The National Party understands that the Government must derive funds from somewhere and, therefore, accepts that the amendment will be fair and reasonable. The National Party has made the point that there must be some economies in other directions. The Government should be looking to the Premiers Conference to make up the additional funds but, if that is not successful, it is obvious that $10 million would have to be derived from somewhere else.

The National Party accepts that the motor industry must bear some part of the cost. The National Party insisted that the Government reduce the proposed level of impost. This is a reasonable compromise. The National Party is not so stupid as to claim that everything is black and white; there are shades of grey. The National Party rejects the denigration and abuse hurled against it by the Labor Party.

Mr SPYKER (Heatherton)—The electorate of Heatherton is united against the Bill. I have received deputations from motorists. The Government has grossly misread the vehicle industry as an economic indicator. If the vehicle industry goes bad, the rest of the economy will be pretty shaky.

The component manufacturers in my electorate have expressed fears about the Bill. The Federal Government has already changed the Australian content programme and that will have a major impact on an industry which is already crying, "We have had enough. We do not know where we are going".

I represent an outer suburb where people travel long distances to and from work. The fuel costs are now so high that people are prohibited from purchasing another car. Instead of putting an extra weight around the industry's neck, the Government should be examining ways of easing the burden. The Treasurer should withdraw the amendment. When the Premier and the Treasurer attend the Premiers Conference on Friday, the Government should ask the Federal Government to pay the $20 million. I would again urge the Treasurer to examine the industry which is in a shaky position. The car sales for the past three months bear out that statement. People have lost confidence. When people lose confidence there are redundancies and unemployment. People are deterred from buying new cars or updating their cars.

It could not be a worse or more inopportune time to hit those sections of the industry. I oppose the Bill and ask the Government to consider other avenues of raising money.

Mr GAVIN (Coburg)—I reject the argument put forward by the honorable members for Polwarth and Gippsland South. The honorable member for

Polwarth claimed that the Opposition is not serious in opposing the amendment. The honorable member for Gippsland South supported the honorable member for Polwarth and claimed that the Labor Party is only opposing the amendment to try to defeat the Government. The honorable members claimed that the Labor Party is not interested in the basic arguments but that claim ignores the debate.

It means that the Government has not listened to anything said by the honorable members for Knox, Dandenong and Melbourne or by the other speakers who have clearly listed the reasons why the Opposition opposes the Bill. The Labor Party is supported by the honorable member for Murray Valley.

The new clause proposes an increase of 20 per cent in the stamp duty on all new cars. On used cars, it is an increase of 60 per cent. Since the inflation rate is only 10 per cent, that means the increase on new cars is twice the inflation rate and on used cars it is six times the inflation rate. For the Government to be trying to solve the problems of inflation by introducing this measure and pretending that this is a decrease shows that its members are not very good at economics.

I commend the honorable member for Murray Valley whose arguments on economic affairs strongly supported the arguments put by the honorable member for Dandenong. I commend him especially because he concentrated on the effect this increased stamp duty will have in border towns and on decentralization. Those arguments should be supported and I commend the honorable member for Murray Valley because he is going to vote with the Opposition on this clause. I hope he is not jeopardizing his career with the National Party and that he will not have to form a new party. I hope his stand on this Bill will be carried forward to all other public and private transport Bills.

I call upon the Treasurer to withdraw the proposed new clause as he has withdrawn clause 3, because of the arguments advanced by the Opposition and by the honorable member for Murray Valley.

Mr TREZISE (Geelong North)—I place on record the already serious plight of the Geelong area without this impost being added. Geelong has suffered much unemployment in recent years and the problem is being aggravated week by week and month by month by the policies of the State and Federal Governments. Geelong relies largely on the sale of motor vehicles, both new and used, and also it has been the home of the Ford Motor Company since the 1920s. That company's position in Geelong is already alarming, without this additional load being placed on vehical purchase costs.

In recent months, all overtime at the Ford Motor Company has been cut out. Every employee at Fords who has long service leave owing to him has been ordered to take it immediately in an endeavour to keep people employed. In many cases, people working at Fords have been demoted. Many have been transferred from the major Ford Motor Company plant at Melbourne Road, Norlane, to the Ensign Foundry, and many employees cannot stand the transfer and the heavy work involved. All in all, the Ford Motor Company and its employees are alarmed at the situation in Geelong. Not only has overtime been cut out and employees ordered to take any long service leave which is owing, but also the future of the Ford Motor Company's output at Geelong is under a cloud. Something must be done to ease the plight of the motor industry in Victoria instead of adding to its burdens. A major downturn could occur in the employment situation at the Ford Motor Company in Geelong.

The CHAIRMAN (Mr A. T. Evans)—I remind the honorable member, as I have on several occasions tonight, that he should relate his remarks not to the Bill but to proposed new clause AA.

Mr TREZISE—I am relating my remarks to the clause which adds the impost, so far as this company is concerned, and I am contending that the

clause and the Bill will impose further charges on motor vehicles, a fact which is already putting more and more people out of work and which will put even more people on decreased incomes and poorer standards of living.

So far as the alarm in the Geelong area is concerned, one of the two major car sales firms which have been there for many years, without naming them, in the past two months has retrenched 20 per cent of its work force of 150 employees because it cannot sell vehicles as people cannot afford the cost of finance. The other major vehicle seller in Geelong is considering putting off 20 or 30 people at present, without waiting for this Bill to be passed. Numerous smaller used car firms are closing down or considering doing so.

All I can say is that the motor industry in Geelong is already very sick. Not only the Ford Motor Company but the numerous small firms which are engaged in car sales in Geelong will shudder when this Bill is passed.

Mr THOMPSON (Treasurer)—This obviously is a controversial question and it should be noted that the Government has allowed an extraordinarily comprehensive debate on it. I am a little perplexed by the approach of the Opposition tonight. Opposition members spent the first four hours of the debate arguing for a decrease in stamp duty. They have got a 50 per cent decrease in the proposed increase, and then they are opposed to it. That is perplexing, to say the least.

I refer to a few points. The honorable member for Albert Park raised a query about the differential rate, implying that there should be a uniform increase, if any. That is fair comment and that was the Government's first inclination. However, after lengthy discussions with the motor industry and after analysing what was taking place, the Government opted for differential rates for these reasons. The Government is rightly concerned with the motor industry and the people employed in it and wants to keep the increases down to the lowest possible level for new cars in order to interfere as little as possible with the manufacture of new cars in Victoria, an industry which employs many thousands of Victorians.

The second reason is that having a differential rate tends to discourage the transfer of cars from New South Wales to Victoria by people who want to use them in Victoria. Thirdly, the price of used cars is more easily adjustable, more easily negotiable, than the price of new cars which is basically fixed by the manufacturers.

The honorable member for Dandenong raised the question of how the Government estimated the increased money. Basically, it was estimated on sales remaining at approximately the same level of 140 000 to 150 000 a year with some slight allowance for an increase in price of perhaps 5 per cent.

I should add that as much money comes from the registration of used cars as comes from the registration of new cars. It is about 50-50 from each area. Finally, the real reason for the change was the altered position of the motor industry over the past two or three months. Last year, there was a marked improvement for the first time in three years. Sales went up by 3 per cent. July was a bonanza month with overall sales and registrations of new vehicles increasing by 12 per cent and with cars and station wagons increased by as much as 21 per cent. August was a steady month. In September there was a decline of 13 per cent and a decline of 6 per cent in October. Had the Government disregarded those trends, it could have been criticized for being obstinate, bull-headed and inflexible. However, the Government has taken account of those trends because it values the motor industry in Victoria; that is why this change is introduced.

Mr WILKES (Leader of the Opposition)—The speech of the Treasurer convinced the Committee of nothing, but his general demeanour convinces honorable members of one thing, he is relieved at the way the situation has turned out. There is no doubt that over the past 25 years this is the first occasion I can remember that a Government has been forced by circum-

stances to reduce the contents of a taxing Bill to the extent that this Bill has been reduced.

There is no doubt that the Government saw the situation as a very grave one. Indeed, had it not been for the support of the National Party, the Government would have been forced to redesign the Budget to cater for the shortfall in revenue which would have occurred had this measure not been passed.

In spite of that, the Government is now humiliated to the extent that it has had to redesign this Budget Bill to suit the situation and to satisfy the corner party.

Throughout the debate the Opposition has consistently argued that because of the state of the automobile industry in Victoria it supports the views expressed by the motor industry organizations. Those views were carefully outlined in the correspondence which the Opposition received and in the deputations those organizations had to the Treasurer. Nothing short of the complete abolition of this tax can provide any substantial relief for the motor industry in this State. For that reason the Opposition has put its case clearly and concisely. The Government has been humiliated to the extent that it has had to reduce the revenue obtained under this measure by $20 million in a full year. That move suggests the power the National Party presently has over the Government in this Parliament.

I suppose when one examines what has occurred this evening, one would have to concede that this is probably the first stage or the first step towards the move for a coalition Government between the Liberal Party and the National Party in Victoria. One could not put any other construction on it.

The CHAIRMAN (Mr A. T. Evans)—Order! The Leader of the Opposition was not in the Chamber earlier when I ruled on a number of occasions that the debate is now on new clause AA. On previous occasions I have had to call honorable members to order when they have been speaking about the activities of relevant political parties.

Mr WILKES—Precisely, Mr Chairman. I respect your ruling and it is quite right. For that reason I am advising you that the capitulation over this clause is the first step towards a coalition Government. My colleague points out by way of interjection that the Government does not need a coalition when it has this type of support from the National Party.

Nevertheless, the public will not require a more convincing argument than the actions of the National Party over the negotiations which took place. As honorable members have been told by the honorable member for Geelong East and the Minister of Public Works earlier the decision was not taken this evening. What honorable members do know is that this is a sad day for the motorists and the motor industry in this State when it is realized that new clause AA has had to be introduced as a supplementary measure. If the National Party had adopted a different attitude, perhaps the automobile industry and the new car purchaser and fleet owners in this State would not have been subjected to the discretionary and discriminatory charges which have been imposed on them under this measure.

Members of the Opposition can hold their heads up high as they did everything they could in the interests of the automobile industry and fleet owners, who will still be obliged if they want to save money to go interstate to make their new car purchases in spite of the concessions which have been made.

There is no doubt that the position of the Opposition has been made abundantly clear throughout the debate. It has not moved from that position nor does it intend to. Finally, I remind honorable members that should this coalition come about, then perhaps the introduction of similar measures could be determined, in conjunction with the warning given to the Government by the Leader of the National Party in his second-reading speech, after consultation with the National Party. If the request of the Leader of the National Party is to be acceeded to, I invite the

Government to take the National Party into coalition.

Mr ROSS-EDWARDS (Leader of the National Party)—Firstly, I am disappointed with some of the submissions and abuse made by members of the Opposition. However, if that is the worst I shall receive in my career and period of membership of this Chamber, then I do not have much to worry about.

The vital aspect of this debate, about which honorable members have not heard much during the past one-and-a-half hours, is that a certain measure of success has been achieved. I personally have been praised for achieving some part of that success and, although I may not deserve it, as it has been given, I shall accept some of it.

The point is, a reduction has been achieved in a full year of $20 million for the people of Victoria. That is the position, but the Opposition has walked away from it because it had no part in achieving that reduction. It played no part in working or fighting for that reduction. I make it clear that the National Party does not claim all the credit, but it fought and worked for that reduction and I consider it achieved a pretty good result. I was not completely happy with the result it achieved as I wanted more, but the Opposition cannot claim that it has won a $20 million concession for the taxpayers of this State.

Honorable members interjecting.

The CHAIRMAN (Mr A. T. Evans)—Order! I am warning the honorable member for Knox. On three occasions I have called him to order and he has completely ignored the Chair. The honorable member will not have another opportunity.

Mr ROSS-EDWARDS—I agree with the comments of the honorable member for Gippsland South, who was critical of the Opposition, which, without a skerrick of evidence, pre-judged the way the Speaker and the Chairman of Committees might have voted if called upon to do so. That was an unfair assumption and an assumption which the Opposition had no justification for making. On this occasion the Chairman of Committees and the Speaker will be called upon to make a casting vote and it was unfair and unjustified for certain members of the Opposition——

Mr Wilkes—While you are there they will never be called upon.

Mr ROSS-EDWARDS—On many occasions in the past the Speaker and the Chairman of Committees have been called upon to make a casting vote, but on this occasion it was unfair and unjustified for the Opposition to pre-judge or to make an assumption on how the Speaker and the Chairman of Committees would have voted.

The Committee divided on the new clause (Mr A. T. Evans in the chair).

Ayes	44
Noes	33
Majority for the new clause	11

AYES

Mr Austin	Mr McKellar
Mr Balfour	Mr Mackinnon
Mr Birrell	Mr Maclellan
Mr Brown	Mrs Patrick
Mr Burgin	Mr Ramsay
Mrs Chambers	Mr Reynolds
Mr Coleman	Mr Richardson
Mr Crellin	Mr Ross-Edwards
Mr Dixon	Mr Skeggs
Mr Dunstan	Mr Smith (*South Barwon*)
Mr Ebery	Mr Smith (*Warrnambool*)
Mr Evans (*Gippsland East*)	Mr Tanner
Mr Hamer	Mr Templeton
Mr Hann	Mr Thompson
Mr Hayes	Mr Trewin
Mr Jona	Mr Weideman
Mr Kennett	Mr Whiting
Mr Lieberman	Mr Williams
Mr McArthur	Mr Wood
Mr McCance	*Tellers:*
Mr McClure	Mr Collins
Mr McGrath	Mr Cox
Mr McInnes	

NOES

Mr Amos	Mr Mathews
Mr Cain	Mr Miller
Mr Cathie	Mr Remington
Dr Coghill	Mr Roper
Mr Crabb	Mr Rowe
Mr Culpin	Mr Sidiropoulos
Mr Edmunds	Mr Simmonds
Mr Ernst	Mr Simpson
Mr Fogarty	Mr Stirling
Mr Fordham	Mrs Toner
Mr Gavin	Mr Trezise
Mr Ginifer	Dr Vaughan
Mr Hockley	Mr Wilkes
Mr Jasper	Mr Wilton
Mr Jolly	*Tellers:*
Mr King	Mr Spyker
Mr Kirkwood	Mr Walsh

Mr THOMPSON (Treasurer)—I move:

That new clause AA be added to the Bill.

The Committee divided on the motion (Mr A. T. Evans in the chair).

Ayes	44
Noes	33
Majority for the motion	11

AYES

Mr Austin	Mr McKellar
Mr Balfour	Mr Mackinnon
Mr Birrell	Mr Maclellan
Mr Brown	Mrs Patrick
Mr Burgin	Mr Ramsay
Mrs Chambers	Mr Reynolds
Mr Coleman	Mr Richardson
Mr Crellin	Mr Ross-Edwards
Mr Dixon	Mr Skeggs
Mr Dunstan	Mr Smith (*South Barwon*)
Mr Ebery	Mr Smith (*Warrnambool*)
Mr Evans (*Gippsland East*)	Mr Tanner
Mr Hamer	Mr Templeton
Mr Hann	Mr Thompson
Mr Hayes	Mr Trewin
Mr Jona	Mr Weideman
Mr Kennett	Mr Whiting
Mr Lieberman	Mr Williams
Mr McArthur	Mr Wood
Mr McCance	*Tellers:*
Mr McClure	Mr Collins
Mr McGrath	Mr Cox
Mr McInnes	

NOES

Mr Amos	Mr Mathews
Mr Cain	Mr Miller
Mr Cathie	Mr Remington
Dr Coghill	Mr Roper
Mr Crabb	Mr Rowe
Mr Culpin	Mr Sidiropoulos
Mr Edmunds	Mr Simmonds
Mr Ernst	Mr Simpson
Mr Fogarty	Mr Stirling
Mr Fordham	Mrs Toner
Mr Gavin	Mr Trezise
Mr Ginifer	Dr Vaughan
Mr Hockley	Mr Wilkes
Mr Jasper	Mr Wilton
Mr Jolly	*Tellers:*
Mr King	Mr Spyker
Mr Kirkwood	Mr Walsh

The Bill was reported to the House with amendments, and the amendments were adopted.

Mr THOMPSON (Treasurer)—I move:

That this Bill be now read a third time.

Mr CRABB (Knox)—The Bill now being debated is very different from the Bill that was debated on the motion for the second reading. In its present form, the Bill will increase stamp duty on motor registration and transfer fees by 40 per cent but the House earlier debated a Bill that would increase stamp duty on these fees by 80 per cent. Some people have characterized this change as being a 50 per cent reduction. There is no way in which anybody could characterize a 40 per cent increase as a 50 per cent reduction.

This is an ill-considered, hastily thought out Bill that contains provisions most honorable members who have spoken on it believe to be unworkable. It provides for a tax that most honorable members who have spoken have called a bad tax, an unsuitable tax, an evil tax. It is a tax that will cause many people to lose their jobs. It is a tax that, in a full year, will take $20 million out of the retail motor industry. That $20 million will come from people's wages, which means that $20 million worth of wages will not be available next year because the Government has chosen to bleed the motorist.

The fact is that the measure, together with a host of other measures, will mean that an additional $128 million in a full year will be taken from the pockets of Victorian motorists in comparison with the situation that existed only twelve months ago.

The Government, with the support of its henchmen in the National Party, is bleeding the motorists of Victoria, its own constituents. Each imposition of an extra tax on Victoria's motorists, be it a petrol levy, a compulsory third-party surcharge or this stamp duty, has been supported by all members of the Government party and all members of the National Party, except one, the honorable member for Murray Valley.

It is no good weeping crocodile tears and saying that a 40 per cent increase in stamp duty is not as bad as an 80 per cent increase, or that an 80 per cent increase is not as bad as a 160 per cent increase. What does that prove?

It proves that the National Party is prepared to go along with the Government in bleeding the motorists, in imitation of its Federal colleagues in Canberra. The $500 million being taken out of the pockets of Victorian motorists by the Federal Government's tax is not as much as is being taken out of their pockets by the State Government.

The only increased charge to be imposed on motorists that will not come before Parliament is the proposed increase in compulsory third-party insurance premiums, which the Treasurer has still not announced although he has said it will take effect on 1 January 1980. It is getting very near to 1 January and I challenge the Treasurer to deny that there will be an increase——

The SPEAKER (the Hon. S. J. Plowman)—Order! I remind the honorable member that this is the third-reading debate.

Mr CRABB—I am debating a Bill that increases stamp duty and will raise $3 million from stamp duty on cheques and $20 million from stamp duty on motor registrations in a full year, and the effects that that will have on the State of Victoria.

The SPEAKER—Order! That is where we come to halts. It is a matter of how widely the effects are discussed. This is the third-reading debate.

Mr CRABB—I thought I was within the Standing Orders and the precedents because I am debating a Bill that is different from the Bill debated on the motion for the second reading. I understood that it was possible for me to move an amendment on the motion for the third reading, if I so desired—I hasten to add that that is not my desire. The fact is that the Bill ought to be opposed in its present form, just as it ought to have been opposed in its earlier form. Honorable members are not discussing a 50 per cent reduction in anything except the credibility of the National Party and the Treasurer. That is the only thing that has been reduced. The 40 per cent increase in stamp duty and the imposition of a tax of $20 million——

Mr Thompson—Are you arguing for the original proposal now?

Mr CRABB—No, I am arguing against the Bill now before the House. If I were arguing for the original proposal, the Speaker would call me to order. No doubt everybody is aware that $20 million is $5 a year for every man, woman and child in the State.

It is no mean imposition that the National Party and the Government is placing on the people of this State. It is suggested by interjection that it is only a few dollars on a car—it is not. It is yet another measure of a whole string of measures aimed at bleeding the motorists of Victoria to make up for the inadequacies of the Government. I appeal to the House to vote against this measure at this third reading stage.

The House divided on the motion (the Hon. S. J. Plowman in the chair).

Ayes	46
Noes	32
Majority for the motion ..	14

AYES

Mr Austin
Mr Balfour
Mr Birrell
Mr Burgin
Mrs Chambers
Mr Coleman
Mr Collins
Mr Crellin
Mr Dixon
Mr Dunstan
Mr Ebery
Mr Evans (*Ballarat North*)
Mr Evans (*Gippsland East*)
Mr Hamer
Mr Hann
Mr Hayes
Mr Jasper
Mr Jona
Mr Kennett
Mr Lieberman
Mr McArthur
Mr McCance
Mr McClure
Mr McGrath
Mr McInnes
Mr McKellar
Mr Mackinnon
Mr Maclellan
Mrs Patrick
Mr Ramsay
Mr Reynolds
Mr Richardson
Mr Ross-Edwards
Mr Skeggs
Mr Smith (*South Barwon*)
Mr Smith (*Warrnambool*)
Mr Tanner
Mr Templeton
Mr Thompson
Mr Trewin
Mr Weideman
Mr Whiting
Mr Williams
Mr Wood

Tellers:
Mr Brown
Mr Cox

NOES

Mr Amos	Mr Miller
Mr Cain	Mr Remington
Mr Cathie	Mr Roper
Dr Coghill	Mr Rowe
Mr Crabb	Mr Simmonds
Mr Culpin	Mr Simpson
Mr Edmunds	Mr Spyker
Mr Ernst	Mr Stirling
Mr Fogarty	Mrs Toner
Mr Fordham	Mr Trezise
Mr Gavin	Dr Vaughan
Mr Ginifer	Mr Wilkes
Mr Hockley	Mr Wilton
Mr Jolly	
Mr King	*Tellers:*
Mr Kirkwood	Mr Sidiropoulos
Mr Mathews	Mr Walsh

The Bill was read a third time.

MOTOR CAR (FEES) BILL

The debate (adjourned from November 1) on the motion of Mr Thompson (Treasurer) for the second reading of this Bill was resumed.

Mr CRABB (Knox)—This Bill is the one tax measure relating to motorists which is actually of benefit to them because it reduces the registration fees that they are required to pay each year. The Minister of Labour and Industry says by interjection that it is good news. It is not as good as it ought to be. The fact is that the 15 per cent reduction proposed for most categories of motor vehicles is inadequate as a reflection of what has been taken from motorists as a result of the petrol levy.

This measure has been introduced because of the Business Franchise (Petroleum Products) Bill which was passed by this House in the last session of Parliament.

The Government promised when that levy was brought in that there would be a restructuring of motor registration fees involving a substantial reduction to motorists. It also promised that motor registration fees would be restructured in a way that would favour small cars rather than large cars. Of course that has not come about. There has been a 15 per cent decrease.

In analysing what that means, it is worth looking at some specific vehicles. I take as an example of a small car, a Holden Gemini. The old registration fee was $39.40, the new registration fee will be $33.62, which represents a saving of $5.78.

Mr Crellin—Why don't you tell the other part?

Mr CRABB—No doubt the honorable member for Sandringham will be making an early contribution to the debate, which will be in contrast to the unruly interjections that he is presently making. There is a saving of $5.78 on a Gemini, but there is a $4 increase on the third-party insurance surcharge leaving a net saving of $1.78, to which is added the levy on petrol. If the increase in stamp duty on the car was only $50 when one bought the car, it would still be a long time before that $1.78 would amortize the initial increase in the price of the car, and that is not including the petrol levy which is currently 1·2 cents a litre. This Bill goes nowhere towards meeting the increase in third-party insurance premiums which the Treasurer informed the House will be implemented from 1 January next year.

Mr Crellin—He said nothing of the sort.

Mr CRABB—Presumably the honorable member for Sandringham was not present this evening or at question time about ten days ago when the Treasurer informed the House, to the best of my belief, that third-party insurance premiums will be increased from 1 January next year. If the honorable member for Sandringham has some different knowledge, honorable members will be glad to hear from him. I think the recommendation of the Premiums Committee was for a $30 increase—that is my recollection of the matter—and that $30 is going to make a joke of this 15 per cent reduction in motor car registration fees.

I move on to a Ford Ghia. The present registration fee of $51.59 will be reduced to $43.85, a reduction of $7.65, less the $4 increase in the third-party surcharge, which leaves a $3.65 increase. On a Commodore, the current registration fee is $62.50, the new registration will be $53.15, making a saving of $9.35, or a net saving of $5.35 after the third-party surcharge increase. On a Falcon XD, the net saving is $5.86 a year.

When one takes into consideration all other levies that have been put on the long-suffering motorist of this State, one realizes that these reductions are not good enough. They are not of the dimension that the people of this State expected would be introduced when the Bill to impose the petrol levy was passed by this House.

If one looks at the petrol levy and the revenue that it generates, one realizes that in a full year's collection the Government will have at least $40 million left over to use on the reduction of motor registration fees, after it has made up the loss for the abolition of road maintenance charges.

For that reason, I move the following reasoned amendment:

That all the words after "That" be omitted with the view of inserting in place thereof the words "this Bill be withdrawn and redrafted to provide for a further reduction by forty per centum of all the fees provided for in this Bill except those relating to hire cars and taxis, motor cars having a carrying capacity in excess of 4 100 kilograms and motor cars owned and used solely for the purposes of primary production."

The SPEAKER (the Hon. S. J. Plowman)—Is the amendment seconded?

Mr WALSH (Albert Park)—Yes, I second the amendment.

Mr CRABB (Knox)—I would have preferred to have moved amendments to the clauses of the Bill to change the amounts of registration specified therein, but the forms of the House do not permit a private member to move such amendments without a message. The only way I could give the House an opportunity to vote for a larger reduction in motor registration fees was by this amendment, which is that the Bill be withdrawn and redrafted to provide for a further reduction of 40 per cent on top of the reduction proposed by the Bill and which would give a reduction of about 50 per cent.

The net effect of carrying the amendment would be that the registration fee would be half of what it is now. That would be a fair and equitable way of introducing pay-as-you-go taxes. At the time the Minister of Transport introduced the Bill to impose the petrol levy, much was made of the Government's desire for pay-as-you-go taxes to reduce the fixed fees on motorists. This is a deeply held policy of the Opposition, and has been for a considerable time. The Opposition believes it is not equitable to load fixed charges on how far people drive their vehicles. It is not fair that someone who drives a car on Sundays to church should pay the same motor taxes as someone who drives 1000 miles every week. It is not reasonable in respect of third-party insurance premiums, and not reasonable in respect of motor registration fees or any other fixed charge.

According to what was said when the Bill to impose the petrol levy was before the House, the Government had taken that view into its bosom. It was not the view only of the Opposition, but also the view of almost all planners. They believe pay-as-you-go fees for motorists are more appropriate. However, the Government has not only put on this petrol levy but has added a host of new fixed motor charges, and by the time we finish this merry-go-round of tax increases the motorist will not only be paying the 1·2 cents a litre levy on petrol that he did before, but he will be paying substantially more each year when he pays his third-party insurance and motor registration combined. This is because of the increases honorable members have yet to be informed of, plus the increases that have already been passed by the House.

Considering the hour, I will leave my comments at that and ask the House to support the amendment.

Mr JASPER (Murray Valley)—The National Party supports the Bill and welcomes the reduction in fees set out in it. A fuel tax was introduced on motor spirits on 1 September 1979, and it now seems incongruous to be debating a Bill to reduce registration charges from 1 January, 1980.

The Government will have been receiving a fuel tax benefit for some months before any registration reductions are provided for various motor car users throughout Victoria.

The National Party applauds the 50 per cent reduction in registration fees for aged, invalid and widowed

pensioners. Members of the National Party, like many other members of Parliament, have received representations from various people within their electorates seeking the 50 per cent reduction. Strong pressure was brought to bear on the Government in this issue and was emphasized by the fact that many other States already allow a 50 per cent reduction in motor registration charges for pensioners. It is disappointing that the Victorian Government made this reduction only after many other State Governments have had the plan in operation for an extended period.

In earlier debates in the House, I have made the point that reduced registration charges for pensioners are extremely important, especially for those who live outside the metropolitan area. In the city pensioners can take advantage of public transport, but in the country there is a general lack of public transport and often a pensioner must own a motor car to enable him to obtain regular supplies. It seems harsh that because people live in the country they cannot take advantage of free or reduced-cost travel on public transport but must own a motor car and pay the full registration charges. I applaud the Government's move in introducing the 50 per cent reduction in registration charges.

Questions have also been raised in Parliament in this session about the possible reduction in third-party insurance charges for pensioners, and this area is also of concern. When I discussed it with pensioners in the electorate I represent, I indicated that registration fees would be reduced and that third-party insurance would be examined separately. If a reduction for pensioners can be obtained in that area as well, it will help them to own a car, particularly, as I said, if they live in the country.

The National Party welcomes the reductions provided in charges for primary producers. The exemptions provided in the Bill for motor cycles and trailers owned by primary producers have long been sought by the National Party. Most primary producers who own a motor cycle use it off the roads and it rarely travels on roads. It seems only right that they should not have to pay the full registration fee for the motor cycle or trailer.

The Bill also abolishes the provision that a farmer may operate only one goods-carrying vehicle at the primary producer rate. Many farmers, because of their type of operation, have to run a number of goods-carrying motor vehicles, and the Bill introduces a flat rate of $50 for a goods-carrying vehicle under 3 tonnes and $100 for a goods-carrying vehicle over 3 tonnes. This provision will certainly assist primary producers, because they often need to have more than one vehicle registered to operate on the farms.

Other provisions in the Bill allow a reduction of 15·5 per cent in registration, which amounts to $9.80 on a Holden Kingswood sedan. This is in line with the undertaking given by the Government in this area. The reductions are related to the fuel tax only, and certainly the registration charges reduction resulted from the introduction of that tax.

A number of members mentioned the registration exemption provided to ex-servicemen pensioners. This was made impossible by a change in Federal legislation, and now service pensioners will be able to again avail themselves of this benefit.

The exemption from transfer fees on a registration transfer from a spouse after the death of a husband or wife is also to be applauded and brings the provision into line with many other exemptions from stamp duty. It seems reasonable to me and to the National Party that an increase should be made in the registration charges for trucks of over 4·1 tonne capacity operating on highways, and the increase of 20 per cent in registration charges brings into effect the user pays concept.

Probably the biggest criticism of the introduction of the fuel tax was that truck operators were being relieved of road maintenance charges earlier in the year, and that they did not have to pay a relative amount for the usage of the highways; they were paying only in

accordance with the amount of fuel they were using. The 20 per cent increase means they will probably be paying more in registration, which will bring again into effect the user pays principle.

In Victoria the registration charges for intrastate truck operators are much higher than those for interstate operators, for whom the rate is only minimal. These anomalies still seem to occur and the area should be further investigated.

Another matter that was brought to my attention by the honorable member for Gippsland East is that registration charges collected by the Government in the past apparently were credited to the Country Roads Board Fund, but there is no indication that after the reduction in charges the fund will be credited with the amount lost by the reduction. I ask the Minister to comment on that point and advise whether the Country Roads Board will be credited with an amount equivalent to the funds which will be lost by the reduction in registration charges.

In his second-reading speech, the Minister said that the total cost of providing the exemptions and concessions in motor registration charges was approximately $19·5 million this year, and later he said that that would be the amount for a full year. I thank the Minister for his indication by interjection that that applies to a full year.

Several people to whom I have spoken may not have been able to assess the amount as well as officers of the Treasury, but they believed the reduction in registration charges amounts to a total of only about $15 million, not $19·5 million. I have no figures to back that up, but the Minister may be able to explain it.

The National Party supports the Bill as presented in Parliament tonight.

Mr WALSH (Albert Park)—I join the honorable member for Knox in opposing the Bill, especially when there has been a proposal for a reduction in motor registration fees by only 15 per cent. Legislation affecting the motor industry has already been enacted. The petrol levy has operated since 1 August this year. Therefore, revenue is being derived from the motorist but there has been no tradeback.

On 1 December, the $4 surcharge on third-party insurance premiums was introduced. It is a small increase when one considers the price one pays to register a motor car. A person pays third-party insurance and motor registration fees in a lump sum. Up to 31 December of this year, a person who owns a Falcon XD or a Holden SL will pay $181.10 for third-party insurance and $65.80 for registration. From 1 January, that person will pay $55.9 for registering either a Holden SL or a Falcon XD and that represents a saving of $9.86. With regard to third-party insurance, the cost this year until 31 December is $181.10. From 1 January next year, the cost will be $174.24. If a person owns either a Falcon XD or a Holden SL he or she will save $5.86 which represents a percentage reduction in the 1979 third-party insurance of 3·2 per cent.

I did propose to examine the costs of third-party insurance and motor registration fees for four or five different cars. In the case of a Gemini TC, the cost of registration this year is $39.40. From 1 January next year, the cost will be $33.62, which represents a saving of $5.78. The cost this year for third-party insurance is $154.70 and, from 1 January next year, the cost will be $152.92, representing a saving of $1.78 or 1·3 per cent. That saving would not buy two gallons of petrol.

I want to deal with the 50 per cent decrease for pensioners. If one examines the Liberal Party's policy speech, delivered by the Premier in the Malvern Town Hall at 8 p.m. on Tuesday, 17 April of this year, it will be noted that he said that there would be a rebate on both registration fees and third-party premiums. I do not know why those two fees have not been linked because the pensioners would be better off having the two rates linked. It is to be hoped the Government will combine the two fees.

A pensioner who owns a Holden SL this year will pay a registration fee of $27.97. However, when that person pays

the third-party insurance of $119.30, the total will be $140.27—that is, a reduction of 16 per cent compared with the fees charged in 1979. Therefore, it is not a big reduction for the pensioners. One can only hope that the situation will soon be rectified so that pensioners will be able to afford to drive motor cars and pay the necessary fees.

An examination of the registration and third-party fees paid by pensioners for a Falcon XD or a Holden SL reveals that from 1 January next year the amount could be $87.62, which is half of the normal third-party insurance and motor car registration fees.

The Opposition urges the Government to consider a further reduction in the costs imposed upon motorists who are already paying high prices, by means of the petrol levy, to drive a motor car.

Mr B. J. EVANS (Gippsland East)—The Bill is another measure in the series which basically had its genesis in the blockade of the nation's highways by irate truck owners earlier this year. One of the first measures was the abolition of the road tax which was the principal target attacked by the truck operators. The road tax was made directly payable to the Country Roads Board. Other measures already debated will compensate the Country Roads Board for the loss of revenue of $10 million which was previously obtained from road maintenance charges.

The National Party is concerned that no assurance has been given that the $19·5 million reduction in collections from motor registration fees will be paid by the Government to the Country Roads Board. In the absence of such an assurance, one must accept that the Country Roads Board will be $19·5 million worse off next financial year. That is a serious trend. The Minister of Transport will have more discretion in allocating funds derived from the petrol levy.

The National Party is apprehensive that the cumulative effect of the Bill will be to deny funds to the Country Roads Board and allow the Government to divert funds from motorists into other forms of transportation. I invite the Treasurer to comment on that aspect. The National Party would welcome assurances that the total amount of funds available to the Country Roads Board will not be adversely affected. The National Party urges the Government to legislate to guarantee that that situation will continue.

It is rather ironic that in recent times the Opposition berated the National Party for seeking a 40 per cent rather than an 80 per cent increase in a certain charge. The Opposition was of the opinion that there was little difference between advocating a 40 per cent increase and an 80 per cent increase, yet the Opposition's amendment proposes a 40 per cent reduction.

This seems to contradict the arguments we heard so recently. It also seems that the proposed amendment intends to exclude primary producers from the benefits of the reduction, again giving the lie to what honorable members were told in recent times by the Opposition. I believe more explanation is needed from the Opposition of its intention in this proposal. It sounds nice on the surface that honorable members should push for an additional reduction of 40 per cent in the fees, but the National Party will not support that proposition if it excludes primary producers from the benefit. At this stage the National Party does not see that it can support the amendment moved by the Opposition.

Mr GAVIN (Coburg)—I refer to the remarks of the Treasurer in handing down the Budget.

The SPEAKER (the Hon. S. J. Plowman)—The honorable member may not refer to a previous debate.

Mr GAVIN—I will paraphrase it. He mentioned the 50 per cent reduction for pensioners and then his words were "to reduce and restructure car registration fees". When I first read that I thought it was going to be a little more than a very small decrease of 15 per cent, but that is what is proposed. That is part of the reason the Opposition moved this amendment. The only people who will really appreciate the Bill are pensioners, and I am pleased to note that they will receive a 50 per cent decrease, as will

primary producers who use motor cycles and trailers. I am pleased that they also will benefit by a 50 per cent decrease, although I suggest that that provision has been included only as a sweetener to ensure National Party support for the Bill.

I want to mention Labor Party policy on this. The Opposition proposes a 50 per cent decrease this year and that car registration fees should be abolished but that some sort of register should be kept of motor cars, registration fees being just enough to cover registration costs. It would be a nominal amount of $2, $5 or $10—of that order, at the most—merely to pay the cost of registering cars. That has been Labor Party policy for some time and this amendment is in line with that party policy. This is just phase 1.

The Labor Party has the support of the Victorian Automobile Chamber of Commerce on the matter of this recent amendment. In the *Herald* of 2 November there is an article by Lawrence Money in which he states that the Victorian Automobile Chamber of Commerce complains that the reduction proposed by the Government is not sufficient and suggests it should be at least double. That point is made by Mr John Collins, the executive director of the Victorian Automobile Chamber of Commerce. I mention that the Labor Party has the support of the Victorian Automobile Chamber of Commerce on this matter and I hope the Government will come up with another compromise to take account of the views of that body on this Bill.

I am not in a position to deal with the final point raised by the honorable member for Gippsland East. I concede that what he said about the final part of the recent amendment may need some explanation but I cannot provide it. I suggest that his reason for not supporting the recent amendment, simply because he was not sure of what one particular part proposed, should have led to his moving another amendment incorporating his own view so as to deal with motor cars used for primary production. The National Party should propose another amendment and we may support it. Perhaps the National Party could have another caucus meeting on the matter. It had one at eight o'clock and perhaps it could have another one at two o'clock in the morning.

Mr THOMPSON (Treasurer)—My remarks in reply will be very brief. Perhaps all honorable members are imbued a little with the spirit of Christmas, but the Opposition is reaching the reckless stage. Opposition members have just demanded that the Government reduce revenue collection by some $10 million tonight and on the next Bill they want to introduce a concession which would cost another $40 million. They are prepared to spend $50 million in one hour! No wonder their counterparts in Canberra went bankrupt.

The House divided on the question that the words proposed by Mr Crabb to be omitted stand part of the motion (the Hon. S. J. Plowman in the chair).

Ayes	44
Noes	31
Majority against the amendment ..	13

AYES

Mr Austin	Mr McInnes
Mr Balfour	Mr McKellar
Mr Birrell	Mr Mackinnon
Mr Burgin	Mr Maclellan
Mrs Chambers	Mrs Patrick
Mr Coleman	Mr Ramsay
Mr Collins	Mr Reynolds
Mr Crellin	Mr Richardson
Mr Dixon	Mr Ross-Edwards
Mr Dunstan	Mr Skeggs
Mr Ebery	Mr Smith *(South Barwon)*
Mr Evans *(Ballarat North)*	Mr Smith *(Warrnambool)*
Mr Hamer	Mr Tanner
Mr Hann	Mr Templeton
Mr Hayes	Mr Thompson
Mr Jasper	Mr Weideman
Mr Jona	Mr Whiting
Mr Kennett	Mr Williams
Mr Lieberman	Mr Wood
Mr McArthur	*Tellers:*
Mr McCance	Mr Brown
Mr McClure	Mr Cox
Mr McGrath	

NOES

Mr Cain	Mr Miller
Mr Cathie	Mr Remington
Dr Coghill	Mr Roper
Mr Crabb	Mr Rowe
Mr Culpin	Mr Simmonds
Mr Edmunds	Mr Simpson
Mr Ernst	Mr Spyker
Mr Fogarty	Mr Stirling
Mr Fordham	Mrs Toner
Mr Gavin	Mr Trezise
Mr Ginifer	Dr Vaughan
Mr Hockley	Mr Wilkes
Mr Jolly	Mr Wilton
Mr King	*Tellers:*
Mr Kirkwood	Mr Sidiropoulos
Mr Mathews	Mr Walsh

PAIR

Mr Borthwick	Mr Amos

The motion was agreed to.

The Bill was read a second time, and it was ordered that it be committed later this day.

Mr THOMPSON (Treasurer)—I move:

That it be an instruction to the Committee that they have power to consider a new clause to amend paragraph 2 of the exemptions under Part XXI. of the Third Schedule to the Stamps Act 1958, consequential upon the reduction of motor car registration fees proposed in the Bill.

The motion was agreed to.

The SPEAKER (the Hon. S. J. Plowman) announced the presentation of a message from His Excellency the Governor recommending that a further appropriation be made from the Consolidated Fund for the purposes of this Bill.

The Bill was committed.

Clauses 1 to 4 were agreed to.

Clause 5 was verbally amended, and, as amended, was adopted as were the remaining clauses.

New clause AA

Mr THOMPSON (Treasurer)—I move:

Insert the following new clause to follow clause 8:

'AA. Under the heading "XXI. APPLICATIONS FOR REGISTRATION OF AND NOTICES OF ACQUISITION IN RESPECT OF MOTOR CARS AND COMMERCIAL TRAILERS—" in the Third Schedule to the *Stamps Act* 1958 in paragraph 2 of the exemptions for the expression "$7.40" (where twice occurring) there shall be substituted the expression "$6.30".'

The new clause was agreed to.

The Bill was reported to the House with amendments, including an amended title, and passed through its remaining stages.

COUNTY COURT (JURISDICTION) BILL

This Bill was received from the Council and, on the motion of Mr MACLELLAN (Minister of Transport), was read a first time.

TRUSTEE COMPANIES (TRUSTEE EXECUTORS) BILL

This Bill was received from the Council and, on the motion of Mr MACLELLAN (Minister of Transport), was read a first time.

TRUSTEE COMPANIES (AMENDMENT) BILL

This Bill was received from the Council and, on the motion of Mr MACLELLAN (Minister of Transport), was read a first time.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF BALLARAT (GUARANTEE) BILL

The Order of the Day for the resumption of the debate on the motion for the second reading of this Bill was read.

The SPEAKER (the Hon. S. J. Plowman)—I have examined this Bill, and am of the opinion that it is a private Bill.

Mr HAMER (Premier)—By leave, I move:

That all the Private Bill Standing Orders be dispensed with, and that this Bill be treated as a public Bill.

The motion was agreed to.

The debate (adjourned from November 15) on the motion of Mr Maclellan (Minister of Transport) for the second reading of this Bill was resumed.

Mr HOCKLEY (Bentleigh)—This Bill authorizes the Treasurer to guarantee a loan of $500 000 proposed to be borrowed by the Ballarat Young Men's Christian Association. That organization recently celebrated its 100 years of operation. During this time it has provided a fine community service to the people of Ballarat, particularly

young people. One of its many activities including charity work on behalf of the disadvantaged in the community has been to assist the numerous unemployed young people of Ballarat.

The YMCA buildings in Camp Street, Ballarat, have been the headquarters for school holiday programmes. The facilities there are used regularly by about 51 schools in the district. An enormous number of young people use those facilities, as do many thousands of other people throughout the area.

The Ballarat YMCA is part of the Australia-wide organization. All the branches are administered individually. The Ballarat branch plans to update and extend its facilities to cope with the increasing demand on its services. The plan encompasses a modern recreation complex at the cost of about $850 000. A public appeal in the district has raised about $250 000. In addition the Department of Youth, Sport and Recreation has provided by means of a grant and an interest free loan, a further $250 000. These amounts will leave a total shortfall of approximately $500 000. The amount of $500 000 is obtainable from the State Superannuation Board which requires a Government guarantee for the amount. With that Government guarantee the interest rates are extremely favourable.

The YMCA freehold has been valued at about $1 million—after the project is completed. The committee of management of the Ballarat YMCA has adequately planned for the repayment of the loan from its ongoing budget. This Bill provides for a worthy and necessary community project in Ballarat, and the State Superannuation Board has a gilt-edged security if it should be required.

The Opposition endorses the Bill and wishes the Ballarat YMCA and the many other branches of that organization a long and continued success in the service of the young of the community. The Opposition commends the Bill to the House.

Mr McGRATH (Lowan)—On behalf of the National Party, I support this Bill which enables the Ballarat YMCA to obtain a guaranteed loan of $500 000. The Ballarat YMCA was founded in 1907 for recreational purposes. Soon after the recreational facilities were built, a heated swimming pool was added. These facilities are somewhat out of date and need to be recycled to bring them up to the modern standards that are required in a community such as Ballarat. In 1972 the City of Ballarat supported this proposal which has taken nine years to become a reality, by placing it at the head of its priority list. The Bill is now before the House and the Government will support the borrowing with guarantees, so that the YMCA can provide the needed facilities.

The Bill empowers the Treasurer to provide a Government guarantee for a loan of $500 000, the loan will supplement a direct grant of $125 000 and an interest free loan of $125 000. A public appeal raised a further $250 000.

The contract price for the project is $816 000 but that price was arrived at some twelve months ago. By the time the building is completed it may well have cost $900 000, but the Ballarat Young Men's Christian Association is prepared to raise the loan against the estimated value of the assets, including the land and buildings when they are completed, of $1·1 million.

Last year there were 197 000 attendances at activities conducted by the YMCA and 13 000 people made up that number of attendances. Fifty-one State schools used the facilities of the YMCA and no doubt other schools from more distant districts will use the facilities when they are upgraded and are more conducive to the fitness programmes that I am sure will be implemented.

Extensive coaching programmes are taking place and one of the most interesting involves housewives and mothers who bring their very young children along and take them into the heated swimming pool. It is a worthwhile programme that gives the children an understanding of what it is like to be in deep water. Because of the greatly increased number of backyard

swimming pools being installed throughout the State, any help that can be given to two, three or four-year-old children so that they gain an understanding of swimming pools will assist in saving their lives and may prevent drownings.

The recreational facilities are also used by 400 women who take part in fitness courses, netball and other activities. That assists in alleviating what everyone these days refers to as the "housewife syndrome". The Commonwealth Youth Support Scheme also makes use of the facilities, and this allows young unemployed people to use their spare time and helps in keeping them out of all sorts of trouble.

One of the most interesting programmes is called "A Wise Way to a Healthy Back". An enormous number of workers compensation claims are made for back injuries.

The SPEAKER (the Hon. S. J. Plowman)—Order! Does the honorable member have the right Bill? Workers compensation claims have precious little to do with the Bill now before the House. The honorable member has referred to the work carried out by the YMCA at Ballarat and he should now return to the Bill.

Mr McGRATH—It was the last point I sought to make and I believed it to be valid. The programme was carried out extensively in America and is organized by physical educationists and controlled by medical officers.

Mr John Mitchell, the Executive Director of the YMCA at Ballarat, and the board of management are to be commended on improving the facilities. Feasibility studies were undertaken into the repayment and financing of the loan and my colleagues in the National Party and I support the Bill.

Mr A. T. EVANS (Ballarat North)—I thank the honorable members for Bentleigh and Lowan for the extensive studies they have made of the project and I appreciate their support. It only goes to show how worth while the project is. It will cost $1 million and will create a major youth and community recreational centre to serve the needs of the Ballarat area.

As has been pointed out, the contract is for an amount of almost $816 000 and the way in which it is to be financed reveals that it is largely a self-help project. I am aware that the Premier is already cognizant of the amount of local contribution in both effort and cash. The Department of Youth, Sport and Recreation is making a grant available on a $1 for $1 basis. Some Government grants are made available on the basis of $4 from the Government for every $1 raised by the organization. The breakdown other honorable members have already given indicates that in this case there is $1 from the Government for every $8 raised locally. The public appeal raised $250 000 and the grant from the Department of Youth, Sport and Recreation amounted to $125 000. The Department of Youth, Sport and Recreation also made an interest-free loan of $125 000 available, and that has to be repaid in five years. A further $100 000 will be made available on loan by the State Superannuation Board when the job is completed. In the meantime, the additional finance required will be provided by short-term loans.

Some people might ask what the difference between the $1 million and the $816 000 will be spent on. As has already been pointed out by the honorable member for Bentleigh, the contract was signed some months ago and it included a rise and fall clause. The cost of equipping the building will no doubt take up the rest of the $1 million. The State Superannuation Board has an excellent security as it has a mortgage over the property, which is situated in the commercial area of the city.

Exhaustive studies have shown that the project will be financially feasible and it was on that basis that the loan funds were made available. I also point out that the YMCA at Ballarat is well known for the lead it took in youth support schemes. It initiated the Ballarat scheme, which has been used as the basis for other such schemes throughout the country.

The YMCA in Ballarat planned this project along the lines followed by similar institutions and recreation

centres that operate throughout Canada and the United States of America. Those institutions operate on a business basis. As has been realized, because of shorter working hours there is an increased demand for recreational facilities. The adult participants will contribute, through their fees, most of the funds for the running costs and the redemption of the loans.

I commend the Premier for his ready acceptance of the project and also for having the vision to perceive that a similar scheme could be extended to other fields. As the Premier said during his second-reading remarks, a working party has been established to examine ways in which this can become a standard practice for the Government. I commend the honorable gentleman, not only for encouraging the provision of recreational facilities in Ballarat, but also for understanding that such projects could be introduced on a large scale.

The motion was agreed to.

The Bill was read a second time, and passed through its remaining stages.

ADJOURNMENT

Australian Council of Salaried and Professional Associations—Damaged power pole—Assault and rape case—Eltham community and welfare centre

Mr MACLELLAN (Minister of Transport)—I move:

That the House do now adjourn.

Mr REMINGTON (Melbourne)—I draw to the attention of the Minister of Labour and Industry an historical event that occurred in Melbourne this afternoon. A special conference was held by the Australian Council of Salaried and Professional Associations and that organization disbanded. It was formed on 17 October 1956 as a council for salaried and professional workers. At its peak, 31 unions represented 500 000 workers throughout Australia. It grew and developed in the 1950s when the infamous McCarthyism spread in Australia.

The SPEAKER (the Hon. S. J. Plowman)—I ask the honorable member to develop the matter further.

Mr REMINGTON—The Australian Council of Salaried and Professional Associations has been a major union organization based in Victoria with its headquarters in Melbourne, and the Minister should be aware that this historical event took place today and understand what that organization achieved from 1956 onwards and how it was formed. It grew out of the vision of the late Mr R. D. Williams a State Savings Bank commissioner and former chairman who later became Deputy President of the Commonwealth Conciliation and Arbitration Commission. Until recently he was a member of the board of the Commonwealth Bank. The Minister should be aware that this historical event took place because it is out of the vision of men like Mr Williams and others that the white collar union grew and flourished in Victoria.

The SPEAKER (the Hon. S. J. Plowman)—I ask the honorable member to indicate what the matter relates to.

Mr REMINGTON—I am drawing it to the Minister's attention because I do not think he is aware of the event that took place today. It is of significant interest.

The SPEAKER—Is it a matter of urgency?

Mr REMINGTON—I believe it is. The significance is that, although the Australian Council of Salaried and Professional Associations was formally disbanded today, it would be cold comfort to think that a powerful white collar group has gone out of the union movement. It was disbanded because its affiliates moved into the Australian Council of Trade Unions. I am certain that their input into the Australian Council of Trade Unions will be of advantage to salaried and professional workers in Australia.

The SPEAKER (the Hon. S. J. Plowman)—Order! I rule that the matter is not one for consideration as urgent Government administration. It is a matter of interest, but does not fall within the guidelines of matters to be raised on the motion for the adjournment of the sitting.

Mr SPYKER (Heatherton)—I raise a matter with the Minister for Minerals and Energy regarding a "Stop Press" article which appeared in the *Moorabbin Standard* today Wednesday, 5 December 1979. I have been contacted by my constituents who expressed grave alarm at the article which states:

> Hundreds of neighbours of the Philip Morris factory are at risk from a damaged power pole carrying 22 000 volts.
>
> The State Electricity Commission, whose linesman first checked the broken insulator last Thursday, still has not repaired it on Monday morning, at press time.

I checked today and it still has not been fixed. The article states:

> The first solid rain is likely to start a voltage surge that endangers much of Moorabbin, striking electrical tradesmen said.

The pole is in Sullivan Street, Moorabbin. The article states further:

> Solid rain will mean extreme danger on that power pole.
>
> The LV (Home Supply) wires would get an injection that blows out television sets, and blows power points off the walls. I have seen it happen.

I am alarmed that this situation has arisen and that a faulty insulator has been left for so long near a large residential area. Usually the State Electricity Commission is on the mark straight away in making necessary repairs. It is fortunate that in the past week or so little rain has fallen. When it rained tonight I was contacted about the need to have this insulator repaired. Obviously the article in "Stop Press" on the back of the newspaper has resulted in concern in the electorate I represent. I ask the Minister to ensure that the insulator is repaired.

Mr FORDHAM (Footscray)—I raise a matter with the Minister for Police and Emergency Services. On the evening of Friday, 16 November or, more precisely, at 1.30 a.m. on the Saturday, a constituent of mine, a woman, was assaulted and raped in her flat. I have known the lady well over many years and I have no doubt that the information she conveyed to me and to the police is accurate. I hope that the Minister will agree to investigate the matters to which I am about to refer.

Following the assault and rape, contact was made with the Police Force which was prompt in its attendance at the residence concerned. The woman concerned is full of praise for the assistance given to her by the members of the Police Force who attended at her flat. After some time, at 4.30 a.m., she was taken to Russell Street station which is the normal course of action. Unfortunately the preparation of the necessary statement took four hours and was not completed until 8.40 a.m.

The first matter I ask the Minister to investigate—I will forward further details—is why, given the distressing circumstances of assault and rape, it should take four hours to prepare such a statement. It is not until such a statement is completed that I understand a police surgeon is called. I also ask the Minister to seriously examine the sequence of events adopted in cases of this nature.

Following the completion and the preparation of the statement at 8.40 a.m., an attempt was made to contact a police surgeon to undertake the necessary and overdue medical examination as the woman had been badly assaulted and had bled significantly from the nose and other parts of the body. Following contact with the police surgeon, the woman was taken to the Essendon Maternity Hospital at 10 a.m. for a medical examination by the police surgeon. That took some time, as would be expected. However, due to inadequate equipment being available at that hospital for the necessary examination, she was referred to the Western General Hospital at Footscray for a further examination which, after a period of waiting. was completed at 1.30 p.m. That is a 12-hour period for the whole exercise.

The second aspect I ask the Minister to take up is why the lady concerned was not immediately referred, following the police investigations at Russell Street, to the Queen Victoria Hospital With the complete assistance of the Government a rape crisis centre has been established at the Queen Victoria Memorial Hospital which has given tremendous service to many women who have suffered from this crime over a

number of years. It ought to be mandatory that women be sent to the Queen Victoria Hospital for the necessary examinations and counselling that is very much part of the process, following that sort of occurrence.

It was not until the woman contacted her own doctor the next day, still in a distressed state, that she was told she should have been talking to the people at the rape crisis centre at the Queen Victoria Hospital and that contact was made. I hope the Minister will agree to investigate this matter.

The three policewomen she first met with at Russell Street said that she would be going to the Queen Victoria Memorial Hospital and the Rape Crisis Centre for medical examination and counselling, but it did not work out that way. That was not the final decision taken by superior officers at Russell Street.

I hope the Minister will investigate those circumstances and, as I indicated earlier, I will be pleased to forward this information to him. The two key matters are: Why should it take so long to take the necessary statement, and should it be taken before any medical examination? Secondly, is it not desirable—and, I hope, necessary—that women in such circumstances be referred directly to the Queen Victoria Memorial Hospital, both for medical examination and the excellent counselling which, in this case, was given at that centre following the initiative of the woman and her own doctor? I look forward to the Minister's assurance, which I am sure will be forthcoming on this matter.

Mrs TONER (Greensborough)—I address my remarks to the Minister representing the Minister of Health in respect of a Community Health and Welfare Centre at 7 Dudley Street, Eltham. Mr Speaker, you will be interested in this as it services part of your electorate at Evelyn. The building for this centre is very small. It is a little house owned by the Eltham shire and, from that building, all the health and welfare activities for Diamond Valley and Eltham are conducted.

I visited the building yesterday and I was amazed at the number of staff who are packed into it and the number of people who visit it during the course of the day. There are up to 50 people daily, including a co-ordinator and psychologist, a receptionist, a social worker, a dietician, two occupational therapists, two more psychologists, a visiting nurse and a health promotion officer. There is also a welfare officer and a welfare assistant. Some of these are on a half-time basis, but it is difficult for all these people to fit into a small building.

Earlier this year there were indications that extensions would be made to the building, but that did not get off the ground, as it was proposed, in the previous financial year.

Alterations to the building will cost between $20 000 and $25 000, and that seems a small contribution considering the activities that are conducted at the centre. It provides facilities for health and welfare activities, community functions, a legal aid service from Eltham, a toy library for the family day care programme, and a number of other activities.

The co-ordinator from the centre had verbal confirmation from the Health Commission that no money will be available for capital works at the centre. In view of the great need at this centre I ask the Minister to examine it further so that something can be done immediately, because an excellent programme will break down without additional facilities.

Mr MACLELLAN (Minister of Transport)—The honorable member for Heatherton raised a matter regarding the need for an insulator to be replaced for the electrical service in his electorate. I will draw that to the attention of my colleague, the Minister for Minerals and Energy.

I do not know whether the honorable member could advise the Minister whether some contact has been made with the State Electricity Commission, whether that contact has not been successful, and whether it was through the local office or the central Melbourne

office. If he could provide those details, it would help the Minister in chasing up the matter.

In relation to the matter raised by the honorable member for Greensborough, I shall bring this to the attention of the Acting Minister of Health to see if that priority might be looked at and some advice given to the honorable member of the situation in regard to that medical facility.

Mr THOMPSON (Minister for Police and Emergency Services)—I will be pleased to investigate the case brought to my attention by the Deputy Leader of the Opposition.

The motion was agreed to.

The House adjourned at 2.35 *a.m.* (*Wednesday*).

QUESTIONS ON NOTICE

The following answers to questions on notice were circulated—

CHILD MALTREATMENT

(Question No. 20)

Mr ROPER (Brunswick) asked the Treasurer:

In respect of the pilot project in child maltreatment in the Barwon Region mentioned on page 20 of the Budget speech for 1978–79:

1. What money has been appropriated for this project in this financial year, and in the full year?

2. What are the details of the administration of the project,

3. Who is evaluating the project?

4. What are the responsibilities of—(*a*) The Department of Community Welfare Services; and (*b*) the Health Commission, in the conduct of the project?

Mr THOMPSON (Treasurer)—The answer is:

1. $107 000 was allocated in 1978–79. $265 000 has been allocated this year.

2. The scheme has four components—

(*a*) A child protection team through the Children's Protection Society—Barwon comprising two full time social workers with administrative support.

(*b*) Support for medical consultancy through the existing hospital and medical services in the region. Details of this component are being finalized at the present time.

(*c*) A central co-ordination unit working from the Children's Protection Society.

(*d*) A family support programme, and emergency foster care for children.

(*e*) Three child development officers—Barwon Regional Child Health Centre.

The aims are—

1. Identify families where maltreatment is suspected and make contact with them through the child protection team.

2. Assess suspected children medically.

3. Counsel families—e.g. make available a "family aide" to work with the family; provide temporary foster care where such is considered desirable; to use Section 32 (1) of the Social Welfare Act to take custody of children if there were absolutely no alternative. It has been found that skilled assistance by social workers makes the need for such mandatory action most unlikely.

3. Office of Research and Social Policy, Community Welfare Services, in conjunction with the Health Commission.

4. The honorable member should redirect the question to the respective Ministers.

COMMONWEALTH–STATE HOSPITALS AGREEMENT

(Question No. 21)

Mr ROPER (Brunswick) asked the Treasurer:

Further to the answer to question No. 1223 given on 31 October 1978:

1. Who is conducting the review of hospital services in Victoria and on what basis?

2. When it is expected that the review will be completed?

3. Whether the Commonwealth Government has suggested to the State that new facilities can only be opened on the closing of an equivalent volume of previously operated facilities, and/or has suggested that the State will have to reduce the overall bed utilization in public hospitals?

Mr THOMPSON (Treasurer)—The answer is:

1, 2 and 3. The review referred to was a review of hospital facilities and services proposed by the Commonwealth Minister for Health in July, 1978, subsequent to agreement having been reached, at both officer and Ministerial level on an approved hospitals budget for 1978–79.

The advice received from the Commonwealth Minister at that time was that the Commonwealth Government had decided not to approve the expansion of hospital facilities and services for cost-sharing purposes until facilities and services had been reviewed. The Minister also advised that funds for expansion included in the approved budget were "frozen" until the completion of the review. It was understood that new facilities and services could be brought into operation only if offsetting reductions of existing facilities and services took place.

In the event, the proposed review did not proceed past the stage of initial discussions at officer level. In November, 1978 the Commonwealth Minister of Health further advised that discussions between officers had identified measures to improve cost containment in hospitals enabling the Minister to put proposals to his Government concerning its approach to the rationalization, efficiency and productivity of recognized hospitals. He therefore advised that the Commonwealth Government had reviewed its earlier decision and would fully cost share the operating costs of new facilities for which provision had been made in the 1978–79 budget.

NATURAL DISASTER RELIEF

(Question No. 314)

Mr B. J. EVANS (Gippsland East) asked the Premier:

1. Whether, in view of the decision of the Commonwealth Government to increase the base contribution by the State Government in natural disaster relief to $7 million before the Commonwealth will contribute, he will ascertain and advise the number of occasions disasters of that magnitude have occurred in the past ten years and the nature of the disaster in each case?

2. Whether the Government intends to review the guidelines to ensure that assistance measures are determined free from the emotional and political implications of a particular disaster?

Mr HAMER (Premier)—The answer is:

1. (*a*) Yes.

(*b*) There has been no natural disaster in the last ten years on which the expenditure on relief measures, agreed to by the Commonwealth Government, has exceeded $7 million in a financial year.

2. The Government reviews the guidelines for financial assistance from time to time to ensure that the assistance provided is relevant.

FIRE ORDERS

(Question No. 620)

Mr WILKES (Leader of the Opposition) asked the Minister for Minerals and Energy, for the Minister for Local Government:

Which private and public buildings, respectively, in metropolitan Melbourne are the subject of fire orders, indicating in each case—(*a*) what is the nature of the fire orders; (*b*) when the fire orders were imposed; and (*c*) when it is expected that the fire orders will be executed?

Mr BALFOUR (Minister for Minerals and Energy)—The answer supplied by the Minister for Local Government is:

It is assumed that the Leader of the Opposition, in referring to fire orders, means joint reports made pursuant to Division 3 Part XLIX of the Local Government Act 1958.

The administration of that division within any municipality to which the division applies is carried out by the municipal council of that municipality.

The information sought is not available from Local Government Department records but the Leader of the Opposition could obtain the information from the individual municipalities.

PETITION ON HOMOSEXUALITY

(Question No. 984)

Mr DUNSTAN (Dromana) asked the Premier:

Whether the Committee to Raise Educational Standards has expressed concern that the Government has failed to take any decisive action on a petition presented to the Premier earlier this year deploring the efforts by a number of teachers to promote homosexual life-styles?

Mr HAMER (Premier)—The answer is:

The Committee has written to me twice within the last nine months on this matter, and each time I have replied advising of action taken.

Briefly, this was in the form of a directive to school principals on literature covering controversial topics (including homosexuality). Such literature may only be made available if endorsed by school principals with the approval of all parents concerned.

FREIGHT CENTRES

(Question No. 1163)

Mr AMOS (Morwell) asked the Minister of Transport:

In respect of the Moe, Morwell and Traralgon freight centres, respectively:

1. What arrangements have been made to provide cartage from the centres to the points of origin or destinations?

2. Which persons or firms have been awarded contracts in each case and whether the contractors are being paid on subsidy; if so—(*a*) what is the amount of this subsidy; and (*b*) whether these arrangements have operated unfairly against other carting contractors in the districts who have to operate their business without such assistance and, in that event, whether the arrangements will be re-considered in the light of such hardships; if not, why?

Mr MACLELLAN (Minister of Transport)—The answer is:

1. The Victorian Railways Board has advised me that the following services for the cartage of general merchandise freight are provided by road carriers contracted to the board at the towns mentioned:

Moe

(*a*) Daily service between the freight centre and the town of Moe.

(*b*) Daily service between the freight centre and Yallourn and Yallourn North.

Morwell

Daily service between the freight centre and the town of Morwell.

Traralgon

(*a*) Daily service between the freight centre and the town of Traralgon.

(*b*) Service on Tuesday and Thursday between the freight centre and the towns of Rosedale, Cowwarr, Toongabbie and Glengarry.

2. The contracts awarded are as follows:—

Moe

Town Delivery—George Wyke.

Moe to Yallourn and Yallourn North—R. A. and B. A. Bacon.

Morwell

Town Delivery—P. and W. Brennan Services.

Traralgon

Town Delivery—Bert Ambler and Sons.

Traralgon to Rosedale, Cowwarr, Toongabbie and Glengarry—Bert Ambler and Sons.

The board awards contracts following the calling of tenders. The criteria the board uses in selecting the successful tenderer are:

rates
suitability
experience
reliability
vehicles and equipment

The contract system will be examined as part of the study of the Victorian transport system.

UPFIELD RAILWAY

(Question No. 1190)

Mr GAVIN (Coburg) asked the Minister of Transport:

In respect of each railway station on the Upfield railway line, what was the number of outward passenger journeys in 1978–79 and what was the percentage decrease compared with 1974–75 and 1977–78?

Mr MACLELLAN (Minister of Transport)—The answer is:

	1978–79	1977–78	1974–75
Macaulay			
Outward Passenger Journeys	63 142	77 609	129 684
Percentage Variation	—18·64	—40·16	..
Flemington Bridge			
Outward Passenger Journeys	129 523	134 598	184 381
Percentage Variation	— 3·77	—27·00	..
Royal Park			
Outward Passenger Journeys	64 609	70 571	82 402
Percentage Variation	— 8·45	—14·36	..
Jewell			
Outward Passenger Journeys	98 277	94 989	184 228
Percentage Variation	+ 3·46	—48·44	..
Brunswick			
Outward Passenger Journeys	113 428	118 946	226 856
Percentage Variation	— 4·64	—47·57	..
Anstey			
Outward Passenger Journeys	96 712	95 830	196 862
Percentage Variation	+ 0·92	—51·32	..
Moreland			
Outward Passenger Journeys	158 117	171 982	299 222
Percentage Variation	— 8·06	—42·52	..
Coburg			
Outward Passenger Journeys	246 863	245 001	380 353
Percentage Variation	+ 0·76	—35·59	..
Batman			
Outward Passenger Journeys	113 401	129 573	198 063
Percentage Variation	—12·48	—34·58	..
Merlynston			
Outward Passenger Journeys	277 118	280 537	421 505
Percentage Variation	— 1·22	—33·44	..
Fawkner			
Outward Passenger Journeys	211 010	221 915	299 055
Percentage Variation	— 4·91	—25·79	..
Gowrie			
Outward Passenger Journeys	408 614	396 260	544 479
Percentage Variation	+ 3·12	—27·22	..
Upfield			
Outward Passenger Journeys	339 174	317 331	352 474
Percentage Variation	+6·88	— 9·97	..

MUNICIPAL LEISURE FACILITIES

(Question No. 1250)

Mr GAVIN (Coburg) asked the Minister for Youth, Sport and Recreation:

1. How much money was spent on municipal leisure facilities in 1978–79?

2. What were the ten major projects in 1978 and how much each cost?

Mr DIXON (Minister for Youth, Sport and Recreation)—The answer is:

1. Total money allocated to municipal leisure facilities in 1978–79 was $5 139 055. This amount consisted of $2 905 288 for major municipal projects and $101 292 for minor municipal projects from the Department of Youth, Sport and Recreation, and $2 132 475 from Special Employment Funds provided by the State Treasury.

2. The ten major allocations to projects in 1978 were:

		$
City of Box Hill	Surrey Park Swimming Complex	250 000
City of Broadmeadows	Broadmeadows Town Centre Recreation Complex	250 000
Shire of Cranbourne	Cranbourne Swimming Pool	250 000
City of Moe	Moe Indoor Recreation Centre	250 000
City of Shepparton	McEwan Reserve Swimming Pool	250 000
City of South Barwon	Belmont Swimming Pool	250 000
City of Mordialloc	Mordialloc Swimming Pool Squash Centre	230 500
Borough of Wonthaggi	Wonthaggi Swimming Pool	182 000
Shire of Nathalia	Nathalia Sports and Community Centre	130 000
City of Echuca	Echuca Recreation Complex	125 000

RAILWAY SERVICES

(Question No. 1251)

Dr COGHILL (Werribee) asked the Minister of Transport:

In respect of passenger rail services cancelled or delayed as a result of locomotive shortages during September last:

1. Which services were—(*a*) cancelled; and (*b*) delayed, indicating the reason in each case?

2. What action is being taken to overcome these problems?

Mr MACLELLAN (Minister of Transport)—The answer is:

1. (*a*) The following passenger rail services were cancelled during September, 1979 due to the available locomotives being utilized for, or undergoing maintenance in preparation for shifting the grain harvest.

5 September 1979	6.14 a.m.	Melbourne to Werribee
	7.29 a.m.	Werribee to Melbourne
20 September 1979	4.59 p.m.	Melbourne to Werribee

(*b*) Locomotive shortages did not contribute to any passenger services being delayed during September.

2. The Victorian Railways Board considers that in general it has sufficient locomotives to meet its normal operating requirements. However, the need for a speedy movement of last year's record grain harvest and this season's expected very large harvest is placing a greater than normal demand on locomotive power with the result of some unavoidable cancellations of passenger services.

RAIL FREIGHT CHARGES

(Question No. 1256)

Mr AMOS (Morwell) asked the Minister of Transport:

1. Whether rail freight charges on the Gippsland line have been increased since the introduction of regional freight centres at Moe, Morwell and Traralgon; if so, when the increases occurred and what was the percentage increase?

2. Whether it is normal practice for freight increases to be imposed midway through a month without prior warning?

3. Whether it was the intention of VicRail to use any of the increased revenue to subsidize contract carriers at the regional freight centres?

Mr MACLELLAN (Minister of Transport)—The answer is:

1. There was a general freight rate increase on 17 September 1979. At that time freight rates on the Gippsland line increased by between 9·5 and 9·7 per cent.

Concurrent with this variation of rates a concession of 20 per cent was introduced for consignments of 1 tonne or more of general merchandise. In addition, the following concessions apply to general merchandise traffic if despatched on pallets:

	Discount
Secured Pallets	10 per cent.
Unsecured Pallets	5 per cent.
Consignment of 1 tonne or more on secured pallets	30 per cent.
Consignment of 1 tonne or more on unsecured pallets	25 per cent.

2. Invariably freight rate variations are announced in the press well before the operative date. There is no established practice concerning the date of introduction of freight rate variations.

3. Revenue received by the Victorian Railways Board becomes part of the board's total budget.

TRAMWAYS BOARD

(Question No. 1276)

Mr GAVIN (Coburg) asked the Minister of Transport:

In respect of the East Coburg–North Coburg and West Coburg tramway lines respectively, what was the number of passenger journeys in 1978–79 and what was the percentage decrease compared with 1974–75 and 1977–78?

Mr MACLELLAN (Minister of Transport)—The answer is:

Passenger statistics are obtained by accumulating the actual ticket sales of conductors, bus drivers, street ticket sellers and from prepaid ticket sales.

Because many operators work on more than one route during a day, and because some routes are amalgamated so that many trams operate on more than one route on a single trip, it is impracticable to collect precise figures of annual patronage over sections of routes.

The position is further complicated by tickets such as the "Day Tripper". Although the route on which the ticket was sold is known the routes on which it may be subsequently used cannot be determined.

When specific loading information is required the data is collected by sampling at cordon points along the route involved. This information generally relates to certain times of the day and cannot be used to determine annual totals of passengers carried.

LATENESS OF TRAINS

(Question No. 1311)

Mr GAVIN (Coburg) asked the Minister of Transport:

1. How many trains in the Melbourne suburban network were late or cancelled in the months of June, July, August, September 1979?

2. Whether the percentage of late trains in each of these months is as high as the corresponding percentage in May, 1979?

Mr MACLELLAN (Minister of Transport)—The answer is:

1 and 2.

	Number of trains cancelled	*Late*	*Percentage of trains late*
May	1 454	7 210	30·99
June	1 408	6 802	33·36
July	726	6 722	28·57
August ..	548	5 652	24·04
September ..	709	5 450	23·20

For the purposes of suburban train running it is the practice of the Victorian Railways Board to regard trains up to two minutes late as being "on time".

RAIL FREIGHT WAGONS

(Question No. 1337)

Mr GAVIN (Coburg) asked the Minister of Transport:

1. How many wagons are currently leased to transport companies by VicRail, indicating the number to each company?

2. Under what terms these wagons are leased?

3. How many trains operated by VicRail exclusively haul transport company freight in leased wagons?

Mr MACLELLAN (Minister of Transport)—The answer is:

1. As at 1 November 1979 the following wagons were on hire.

	Number of wagons
Between Melbourne and Sydney	
Australian Cargo Enterprises Pty. Ltd. ..	8
Express Freight Pty. Ltd.	2
Smorgan Consolidated Industries.. ..	2
Mayne Nickless Ltd.	15
Thomas Nationwide Transport	33
Between Melbourne and Adelaide	
Mayne Nickless	2
Thomas Nationwide Transport	22

2. The wagons are made available under contracts between the companies and the railway systems concerned on an annual charge basis with payments being made in twelve equal monthly instalments payable in advance.

3. None.

HUME FREEWAY

(Question No. 1346)

Dr COGHILL (Werribee) asked the Minister of Transport:

In respect of the proposed route of the Hume Freeway to by-pass Euroa:

1. When the decision will be announced?

2. Whether he is aware that the proposed southern route is favoured by the Euroa Shire Council and in a referendum by the Euroa ratepayers?

3. Whether the alternative northern route will cost approximately $2·8 million more than the proposed southern route?

Mr MACLELLAN (Minister of Transport)—The answer is:

1. The matter is still under consideration.

2. Yes.

3. The estimates included in the Environment Effects Statement prepared by the Country Roads Board indicate that the construction of the Northern route would cost $2·8 million at 1977 prices more than the Modified Southern Route.

SEAFOOD MEASURING DEVICES

(Question No. 1409)

Mr FOGARTY (Sunshine) asked the Minister of Health, for the Minister for Conservation:

1. What are the names of Victorian–Australian engineering companies manufacturing calipers used in the sizing of crayfish for the Victorian and export market?

2. Whether the sizes of such calipers are checked by the Fisheries and Wildlife Division prior to sale; if not, whether the Minister will give consideration to a proposal that the Ministry for Conservation be the sole selling agent for the sale and distribution of all seafood measuring devices and that such devices be clearly marked and stamped?

Mr BORTHWICK (Minister of Health) —The answer supplied by the Minister for Conservation is:

1. The crayfish measures used by Fisheries and Wildlife Officers are made by John A. Hunt and Sons of 22 Alexandra Avenue, Elsternwick, specifically for this division.

2. The Fisheries and Wildlife Division checks with Vernier Calipers all fish measures used by its officers prior to use. The division does not sell measures to fishermen. They usually make their own and often check their accuracy against divisional measures.

CAULFIELD–MORDIALLOC RAILWAY LINE

(Question No. 1410)

Mr SPYKER (Heatherton) asked the Minister of Transport:

What amount has been allocated for 1979–80 for the third railway line between Caulfield and Mordialloc and what is the estimated completion date?

Mr MACLELLAN (Minister of Transport)—The answer is:

$400 000 has been allocated for 1979–80 for the provision of the third track between Caulfield and Mordialloc.

Present indications are that this project will be completed in 1983.

TRAMWAY DRIVERS AND CONDUCTORS

(Question No. 1430)

Mr REMINGTON (Melbourne) asked the Minister of Transport:

Whether some tramway drivers and conductors accept work on days which they are normally rostered off; if so, what is the percentage of those hours against the total working week?

Mr MACLELLAN (Minister of Transport)—The answer is:

Yes, some drivers and conductors work six days in a week by working on a cancelled day off.

Unlike other industrial awards, the Tramway Employees Traffic Award makes no provision for employing drivers or conductors on overtime beyond their normal rostered shift on any one day to cover staff shortages.

Although the rosters for these employees contain provision to the extent of approximately 17 per cent for annual leave, sickness, etc., it is still necessary because of absenteeism to work some employees on a sixth day in a week to maintain full services.

The Award provides penalty rates for these cancelled days off and this is virtually the only form of overtime available to drivers and conductors.

The current level of hours worked on cancelled days off over the whole service is approximately 5 per cent of the man hours required to cover all shifts.

VICTORIA GRANTS COMMISSION

(Question No. 1448)

Mr KIRKWOOD (Preston) asked the Minister for Minerals and Energy, for the Minister for Local Government:

1. When it is likely that cheques covering allocations from the Victoria Grants Commission will be forwarded to municipal councils?

2. What is the reason for the delay in the payment this year?

3. Whether the Minister is aware that the non-payment is involving local government authorities in heavy interest payments for overdraft accommodation?

Mr BALFOUR (Minister for Minerals and Energy)—The answer supplied by the Minister for Local Government is:

1. Cheques covering allocations from the Victoria Grants Commission were forwarded to municipal councils on Friday, 16th of November 1979.

2. The reason for the delay in payment this year is due to the fact that the Commonwealth's Local Government (Personal Income Tax Sharing) 1976 had to be amended to provide for the increase.

The Bill passed through the House of Representatives in October and was consequently passed by the Senate early in November.

3. I am aware that the payment some two months later than in previous years has involved some local government authorities in financial difficulties.

The Honorable Member may not be aware that on the 7 November I issued a statement expressing my concern at the delay in the payment of "untied grants" to Victorian municipalities. This naturally represents a significant loss in cash terms, either through loss of interest earnings that could be expected to accrue from short-term investment, or from the cost of bank overdraft charges.

I regret the delay in payment, however, as the Honorable Member would be well aware, payment could not be made by the State until a cheque for $56·4 million had been made available by the Commonwealth.

However, in my news release I also pointed out that I would press the Federal Government to try and ensure that a similar delay would not occur next year when a further amendment to the Act will be required to give effect to the Federal Treasurer's welcome undertaking to increase the percentage of personal income tax set aside for local government to 2 per cent.

ENVIRONMENT PROTECTION AUTHORITY LICENCES

(Question No. 1503)

Mr GAVIN (Coburg) asked the Minister of Health, for the Minister for Conservation:

In respect of licences issued by the Environment Protection Authority to premises in the cities of Coburg and Broadmeadows:

1. What is the total number of licences in force, indicating the number of licences for each type of discharge?

2. What is the number of premises issued with—(*a*) one; (*b*) two; and (*c*) more than two licences?

3. How many inspections were made during 1978–79 to monitor compliance with licence conditions, indicating the number of premises inspected—(*a*) once; (*b*) twice; and (*c*) more than twice?

4. How many breaches of licence conditions were detected in 1978–79, indicating those in which prosecutions were launched resulting in—(*a*) convictions; (*b*) charges being dismissed; and (*c*) cases still pending?

Mr BORTHWICK (Minister of Health) —The answer supplied by the Minister for Conservation is:

I have been advised by the Chairman of the authority that this information is not readily available from the authority's records.

A recent detailed answer to a similar question by another member took a considerable number of man-hours to complete at some cost to the community and an answer to this question would require a similar amount of work. However, if the honorable member requires information on specific licensed premises I will be happy to provide it.

The authority's licence files can also be made available on request for the honorable member's perusal at the offices of the authority at 240 Victoria Parade, East Melbourne.

HOUSING

(Question No. 1566)

Dr COGHILL (Werribee) asked the Minister of Housing:

In respect of houses occupied for the first time in 1978–79 through the Housing Commission, the Teacher Housing Authority and the Decentralized Industry Housing Authority—(*a*) for rental; and (*b*) for purchase, what was the number to be occupied by—(i) people complying with normal Housing Commission eligibility; (ii) teachers housed through the Teacher Housing Authority; (iii) persons housed through the Decentralized Industry Housing Authority; (iv) other officers and employees of Government departments and public authorities, indicating the department or authority in each case; (v) ambulance officers; and (vi) all other categories indicating the category in each case?

Mr DIXON (Minister of Housing)—The answer is:

The time, effort and expense entailed in providing all the information sought cannot be justified. However, I am able to supply the following information in response to part of the question.

(ii) All allocations to teachers are made on a rental basis. Fifty one (51) house properties were acquired by the Teacher Housing Authority during the stated period and have been let by the authority to teachers.

(iii) The Decentralized Industry Housing Authority does not provide housing for applicants. Its main function is the provision of first mortgage loans to eligible key personnel of approved decentralized industry to enable them to buy residential accommodation.

SAMBAR DEER

(Question No. 1571)

Dr COGHILL (Werribee) asked the Minister of Health, for the Minister for Conservation:

In respect of the request made in 1978 by the Deer Breeders Association of Australia to trap Sambar deer:

1. What number of deer was proposed to be trapped?

2. What was the period during which trapping was proposed to take place?

3. When the request will receive further consideration?

4. When a decision on the request will be made?

Mr BORTHWICK (Minister of Health) —The answer supplied by the Minister for Conservation is:

1 and 2. The 1978 request by the Deer Breeders Association of Australia did not specify either the number of deer proposed to be trapped or the time of the year during which trapping should take place. The request was for approval in principle for the trapping of sambar in Victoria.

3 and 4. I have recently received deputations from the Australian Deer Association and the Sporting Shooters Association of Australia in relation to this matter and am awaiting a further written submission from the Australian Deer Association. When that submission has been received the whole matter will be considered.

HOUSING COMMISSION WAITING LIST

(Question No. 1572)

Dr COGHILL (Werribee) asked the Minister of Housing:

In respect of Housing Commission homes allocated to families in 1978–79, what was the number allocated—(*a*) according to their place on the waiting list; (*b*) ahead of their place on the waiting list because of family size; (*c*) ahead of their place on the waiting list because of the need for emergency accommodation; and (*d*) ahead of their place on the waiting list for other reasons indicating in each case the reason and location?

Mr DIXON (Minister of Housing)— The answer is:

The time, effort and expense entailed in providing all the information sought cannot be justified. However, I am able to supply the following information in response to part of the question:

(*c*) A total of 1023 families were given priority allocation because of their need for priority accommodation.

CONTROL OF NOXIOUS WEEDS

(Question No. 1573)

Dr COGHILL (Werribee) asked the Minister of Health, for the Minister of Lands:

In respect of the control of noxious weeds in Victoria what was the number of staff provided in each district as at 1 July 1978, 1 July 1979 and 1 November 1979?

Mr BORTHWICK (Minister of Health) —The answer supplied by the Minister of Lands is:

	Staff (excluding the inspector in each district)		
District	1 *July* 1978	1 *July* 1979	1 *November* 1979
Alexandra	4	4	4
Apollo Bay	6	6	6
Ararat	5	5	5
Avoca	5	5	5
Bacchus Marsh	5	5	5
Bairnsdale 1	4	4	4
Bairnsdale 2	5	5	5
Ballarat 1	5	5	5
Ballarat 2	7	8	7
Beaufort	4	4	4
Beach Forest	5	5	5
Beechworth	8	7	7
Benalla	5	5	5
Bendigo 1	5	5	5
Bendigo 2	4	4	4
Birchip	4	4	4
Boolarra	5	5	5
Boort	4	4	4
Bright	6	6	6
Broadford	3	3	3
Buchan	6	6	6
Camperdown	3	3	2
Casterton	6	6	6
Castlemaine	6	6	6
Chiltern	3	3	3
Clunes	5	5	5
Cobden	2	3	3
Cohuna	4	4	4
Colac 1	2	2	2
Colac 2	4	4	4
Coleraine 1	2	1	1
Coleraine 2	2	3	3
Corryong	9	9	7
Dartmoor	4	4	4
Daylesford	5	5	5
Derrinallum	2	2	2
Dimboola	4	4	4
Donald	4	4	4
Dunolly	3	2	2
Eltham	6	6	5
Euroa	4	4	5
Ferntree Gully	7	7	4
Forrest	4	3	7
Foster	6	6	3
Frankston	4	4	6
Geelong 1	4	4	4
Geelong 2	5	5	4
Gisborne	3	3	4
Glenthompson	3	3	3
Goroke	4	4	2
Hamilton	4	5	4
Harrow	4	4	5
Healesville	5	5	4
Heathcote	3	3	5
Heyfield	3	4	3
Hopetoun	5	5	4
Horsham	7	8	5
Inglewood	4	4	8
Keilor	4	4	4
Kerang	5	5	5
Kooweerup	4	4	4
Korumburra	5	5	5
Kyabram	4	4	4
Kyneton	5	4	4
Lake Boga	5	5	4
Lancefield	4	4	4
Leongatha	6	6	6
Lilydale	8	7	7
Linton	5	5	5
Lorne	4	4	4
Macarthur	3	3	3
Manangatang	5	5	5
Mansfield	9	9	7
Maribyrnong	7	7	6
Maryborough	3	3	3
Meeniyan	5	7	7
Meredith	3	3	3
Meringur	4	4	3
Mirboo North	6	6	6
Mitta Mitta	6	6	6
Moe 1	4	4	3
Moe 2	5	5	5
Mornington	6	7	6

District	Staff (excluding the inspector in each district) 1 July 1978	1 July 1979	1 November 1979
Mortlake	1	1	..
Moyhu	5	5	5
Murrayville	4	4	4
Murtoa	3	3	3
Myrtleford	7	7	7
Nathalia	4	4	4
Natimuk	4	4	4
Nhill	5	5	5
Numurkah	5	5	5
Omeo	6	6	5
Orbost 1	5	5	5
Orbost 2	7	7	7
Ouyen	6	6	6
Pakenham	4	4	4
Penshurst	3	3	3
Piangil	4	4	4
Port Fairy	4	4	5
Portland	5	5	5
Pyramid Hill	5	5	5
Rainbow	6	6	6
Red Cliffs 1	7	7	6
Red Cliffs 2	4	4	4
Robinvale	4	4	4
Rochester	3	3	3
Rushworth	4	4	4
St Arnuad	4	4	4
Sale	4	4	4
Sea Lake	4	4	4
Seymour	5	5	5
Shepparton	4	4	4
Speed	5	5	5
Stawell	5	5	4
Stratford	8	8	7
Streatham	2	2	2
Swan Hill	4	4	4
Swifts Creek	6	6	6
Tallangatta	6	6	6
Timboon	4	4	4
Tongala	4	4	4
Traralgon	6	5	5
Underbool	4	5	5
Wangaratta	4	4	4
Warracknabeal	4	4	4
Warragul	8	8	7
Warranbmool	4	4	4
Werribee	3	3	3
Werrimull	4	4	4
Winchelsea	2	2	2
Wodonga	6	6	6
Wonthaggi	5	5	5
Woomelang	4	4	4
Wycheproof	4	5	4
Yackandandah	6	6	6
Yarra Junction	8	8	8
Yarram 1	6	6	5
Yarram 2	8	8	8
Yarrawonga	5	5	5
Yea	3	3	3

PATERSON'S CURSE

(Question No. 1576)

Dr COGHILL (Werribee) asked the Minister of Health, for the Minister of Lands:

In respect of the biological control of Paterson's curse:

1. What action was taken during 1978–79?

2. What action is being taken during 1979–80?

3. What reasons there are for delays in introducing new control measures including biological control measures?

Mr BORTHWICK (Minister of Health) —The answer supplied by the Minister of Lands is:

Research into the possible biological control of Paterson's curse has been carried out over recent years by Commonwealth Serum and Industrial Research Organization. A number of organisms have been discovered overseas which have the potential to provide some level of control if introduced to Australia.

Introduction has been delayed, however, because of a decision by the Australian Agricultural Council requiring that the beneficial properties of the weed to the honey industry be fully assessed against the detrimental effects of the weed to the grazing industry.

At a meeting of the council in August 1979 it was decided that CSIRO should be permitted to make an introduction and that a release could be planned for Autumn 1980. This is the present position.

WILD SAMBAR DEER

(Question No. 1587)

Dr COGHILL (Werribee) asked the Minister of Health, for the Minister for Conservation:

What is the estimated population of wild Sambar deer in Victoria, what is the estimated number shot or otherwise killed by hunters each year and what is the estimated net annual population growth or decline?

Mr BORTHWICK (Minister of Health) —The answer supplied by the Minister for Conservation is:

Information from deer hunter organizations suggests that approximately one thousand Sambar deer are taken annually by hunters in Victoria. Sambar deer populations appear to be withstanding this level of hunting pressure.

Recently it was estimated that there may be between 5,000 and 10,000 Sambar deer in Victoria. It has been reported that the range of these animals is gradually increasing and it is therefore possible that the deer population is also increasing.

HYDATIDOSIS

(Question No. 1616)

Dr COGHILL (Werribee) asked the Minister of Health:

In respect of sources of hydatidosis, whether any tests have been conducted on pet mince offered for sale in Victoria; if so, when, what were the sources of the pet mince, and what were the results of the investigation?

Mr BORTHWICK (Minister of Health) —The answer is:

No tests have been conducted by the Health Commission of Victoria on pet mince offered for sale in Victoria.

DEPARTMENT OF AGRICULTURE

(Question No. 1620)

Mr WHITING (Mildura) asked the the Minister of Agriculture:

How many of the—(*a*) fifteen positions at the Mildura office; and (*b*) sixteen positions at the Swan Hill office, of the Department are currently unfilled, indicating which positions?

Mr I. W. SMITH (Minister of Agriculture)—The answer is:

(*a*) Three positions, comprising the extension director and two district extension officers.

(*b*) One position of district extension officer.

HISTORIC BURIAL GROUNDS

(Question No. 1645)

Dr COGHILL (Werribee) asked the Minister of Health, for the Minister for Conservation:

1. When the Committee for the Preservation of Historic Cemeteries and Burial Grounds was established?

2. Who are its members and what are its responsibilities?

3. What funding is provided for the Committee and how funds are allocated by it?

Mr BORTHWICK (Minister of Health)—The answer supplied by the Minister for Conservation is:

I have no knowledge of such a committee but a grant has been made available to the Historic Buildings Preservation Council, through the Ministry for Planning, from the National Estate programme for a study of historic cemeteries.

In conjunction with the grant a steering committee has been formed to select consultants to undertake the study and to monitor progress of the study and I assume this is the committee which the honorable member has in mind.

On this basis, the Committee is as follows: Mr R. Tonkin (Chairman)—Historic Buildings Preservation Council. Mrs J. Lennon—Ministry for Conservation. Mr R. Hodges—Department of Crown Lands and Survey. Mr P. Lisle—Department of Health.

The role of the consultants will be to undertake a survey of historically important cemeteries in Victoria and to prepare a report which includes positive measures for their preservation and to provide an inventory for designation under the Historic Buildings Act and for the National Estate Register. The National Estate grant for the survey is $7500.

DECENTRALIZATION OF GOVERNMENT DEPARTMENTS

(Question Nos. 1657–1669)

Dr COGHILL (Werribee) asked Ministers in the Legislative Assembly for themselves and for the Legislative Council Minsters they represent in the Assembly:

In respect of staff positions in departments and instrumentalities for which they were responsible and located at various premises detailed in the questions and at other premises in the Cities of Melbourne, South Melbourne, Fitzroy, Collingwood and Richmond, and whether upon the expiration or termination of the tenancies, staff positions:

(*a*) Will be or can be relocated in premises in the Western Metropolitan Region and other metropolitan and country locations, indicating for each region the number and the most likely year of relocation; or

(*b*) will be retained in the inner Melbourne area, indicating the reasons why they cannot be relocated outside the area and specifying the number to which each reason applies?

Mr HAMER (Premier)—On behalf of the Ministers, the answer is:

These questions are the third in a series directed to Ministers seeking detailed information in regard to each State Government department or instrumentality for which the Ministers are responsible.

The Government is not prepared to answer vague questions of this general nature which involve great cost to no apparent benefit or purpose.

Legislative Council

Wednesday, 5 December 1979

THE PRESIDENT (the Hon. F. S. Grimwade) took the chair at 2.7 p.m. and read the prayer.

STAMPS (AMENDMENT) BILL

This Bill was received from the Assembly and, on the motion of the Hon. HADDON STOREY (Attorney-General), was read a first time.

MOTOR CAR (FEES) BILL

This Bill was received from the Assembly and, on the motion of the Hon. HADDON STOREY (Attorney-General), was read a first time.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF BALLARAT (GUARANTEE) BILL

This Bill was received from the Assembly.

The PRESIDENT (the Hon. F. S. Grimwade)—I have examined this Bill and am of the opinion that it is a private Bill.

The Hon. HADDON STOREY (Attorney-General)—In another place this Bill was ruled to be a private Bill, but was treated as a public Bill. I propose that a similar procedure be adopted in this House. Therefore, I move:

That this Bill be dealt with as a public Bill.

The motion was agreed to.

On the motion of the Hon. HADDON STOREY (Attorney-General), the Bill was read a first time.

PERSONAL EXPLANATION

The Hon. F. J. GRANTER (Minister of Water Supply)—I wish to correct an answer to a question I gave to Mr Eddy yesterday. The area that Mr Eddy asked me about was Keilor, not Keysborough, and the information given to me related to Keysborough. The purchase price of the land in Keilor in September 1964 was 25 000 pounds, now $50 000. The area was 129 acres, 3 roods and 28 perches, now 52·579 hectares. It is leased to a local farmer for agistment at $960 a year. The farmer is required to control noxious weeds and take fire precautions. In 1970, the Trotting Control Board was paid $6185 by the State Electricity Commission when the commission was granted an easement across the property. I apologize to the honorable member for the incorrect information.

QUESTIONS WITHOUT NOTICE

SEWERAGE SCHEMES

The Hon. D. R. WHITE (Doutta Galla Province)—Will the Minister of Water Supply confirm that he has issued an instruction to the State Rivers and Water Supply Commission and all sewerage authorities that it is now Government policy not to proceed with any section 120A schemes and whether that instruction is to be a permanent policy of the Government? Further, will the Minister also inform the House whether the section 120A schemes currently in progress at Mount Helen, Chirnside Park estate and Mount Martha as well as in the Geelong area will still result in some form of double payment to those people concerned or will they receive relief either in rates or in the capital commitment that they have to make to these schemes?

The Hon. F. J. GRANTER (Minister of Water Supply)—I have told the State Rivers and Water Supply Commission that the Ministry of Water Resources is undertaking a review of the section 120A schemes and until I receive a report and policy is formulated that no further 120A schemes are to be invoked. In the areas mentioned by the honorable member, I have also requested Mr Mann, the Director of Water Resources, who is Chairman of the Water Resources Council to consider in any finding or any recommendation that may be provided to me the position of the people who have already had the section 120A schemes invoked in their areas.

MUNICIPAL TITLES

The Hon. K. I. WRIGHT (North Western Province)—I direct a question to the Minister for Local Government which concerns titles given to civic leaders of municipalities. In the cities, the leaders are accorded the title of mayor whereas in the shires, the title is shire president. It has been claimed by many shires that the term "mayor" is a more prestigious one. Has the Minister had any representations made to him on the subject and, if so, what is his attitude?

The Hon. D. G. CROZIER (Minister for Local Government)—I know Mr Wright is a former mayor of Mildura; I am a former shire president. This question has been raised from time to time. I am certainly prepared to seriously consider the matter after appropriate discussion and if it is put forward as a worth-while proposal.

ELECTRIFICATION OF RAILWAYS

The Hon. D. K. HAYWARD (Monash Province)—I direct a question to the Minister for Local Government as the representative of the Minister of Transport and refer to an answer to a question by me without notice on 20 November concerning the electrification of railways in which he indicated that the Government was interested in pursuing any fuel-saving measures which may include extensions to the electrification of railways. It is clear that this is one good way of attempting to save liquid fuel if the capital cost is justified. I ask the Minister what action the Government proposes to take to evaluate the proposal which apparently the Federal Government is making for the electrification of the rail link between Melbourne and Sydney.

The Hon. D. G. CROZIER (Minister for Local Government)—Obviously, the Victorian Government is interested in today's announcement of the proposed plan by the Federal Government to which the honorable member referred. Before final endorsement can be given by the Victorian Government, a full cost benefit analysis will need to be made.

TALENTED WOMEN

The Hon. JOAN COXSEDGE (Melbourne West Province)—I direct a question to the Minister of Education, who is the representative of the Premier. What steps has the Government taken to ensure that there will be adequate representation in the list of 100 talented women set up by Yolande Kempfner, Co-ordinator of Women's Affairs, for the Government to provide expertise on committees and boards and so on? I refer for instance to working migrant women, factory workers and wives of factory workers.

The Hon. A. J. HUNT (Minister of Education)—I am sure that whatever steps are taken will not be satisfactory to the honorable member, but I shall ascertain what steps have been taken and advise her.

TEACHING SERVICE

The Hon. B. A. CHAMBERLAIN (Western Province)—I ask the Minister of Education, in dealing with the controversy surrounding the limited tenure system, whether there have been any further discussions between the Minister and the unions regarding the unions partaking in the working party designed to analyse a lot of the detailed matter on which various people have expressed interest.

The Hon. A. J. HUNT (Minister of Education)—The answer is, "Yes". The most recent discussion with the Victorian Teachers Union was today.

MOORABBIN MINI BIKE CLUB

The Hon. C. J. KENNEDY (Waverley Province)—I direct a question to the Attorney-General, who is the representative for the Minister for Police and Emergency Services, and refer to the plight of 168 members of the Moorabbin Mini Bike Club who have bikes which they are unable to register because they do not comply with certain regulations. I ask the Minister to confer with his colleagues to ensure that the Motor Car Act can be amended so that these people are able to use their bikes.

The Hon. HADDON STOREY (Attorney-General)—I am unaware of the facts mentioned by the honorable member. The Motor Car Act ensures the safety and the protection of the public and those people who use motor vehicles in the community. However, I shall bring the problem to the notice of the Minister and request an answer from him.

TEACHING SERVICE

The Hon. B. P. DUNN (North Western Province)—Is the Minister of Education aware that many secondary schools throughout Victoria have had the position of teacher-aide or teacher-assistant cancelled as from the beginning of the next school year? Further, is the Minister aware of the benefit provided through these people who have been employed in schools since 1976? Will

the Minister investigate the cuts with a view to continuing the position where possible?

The Hon. A. J. HUNT (Minister of Education)—I am unaware of any general move in the direction suggested by Mr Dunn. However, I am aware that, with the constant revision of the disadvantaged schools list, some schools are added and some schools disappear from that list. There are only 201 schools on the list for that Commonwealth funded programme and, as schools reach new standards, they may disappear from that list whilst others are added.

Where the provision of teacher aides is funded via the disadvantaged schools programme, the continuation of that funding is dependent upon the school remaining on that list. That has meant a number of changes this year. If there are any changes outside that programme, I would appreciate information on the specific cases from Mr Dunn and would provide him with full answers.

WEST GIPPSLAND WATER SUPPLY

The Hon. H. R. WARD (South Eastern Province)—My question to the Minister of Water Supply relates to the proposed West Gippsland water supply. The Public Works Committee has been asked to examine the suggestion of funding and the location of the water supply. Has the Minister received an interim report or an indication when the committee will report upon the feasibility of the water supply being introduced?

The Hon. F. J. GRANTER (Minister of Water Supply)—I have not received any interim report. The Public Works Committee is so engrossed in a number of inquiries, that is, salinity and water allocation, that it has not had time to examine the matter.

VICTORIA POLICE ASSOCIATION

The Hon. R. J. EDDY (Thomastown Province)—I direct my question to the Attorney-General as the representative of the Minister for Police and Emergency Services. The Victoria Police Association made an application for salary increases and that hearing commenced approximately two years ago and continued for twelve months. Can the Attorney-General inform the House when a decision will be made in respect to that application?

The Hon. HADDON STOREY (Attorney-General)—I will seek information from the Minister for Police and Emergency Services and pass that information on to Mr Eddy.

MUNICIPAL TITLES

The Hon. V. T. HAUSER (Nunawading Province)—My question is, in a sense, supplementary to the question asked earlier by Mr Wright. Will the Minister for Local Government consider representation from metropolitan mayors who might prefer the title "President"?

The Hon. D. G. CROZIER (Minister for Local Government)—That is a novel suggestion. I would need some time to contemplate the suggestion before I could give Mr Hauser a full answer. My initial reaction is that the term "mayor" is traditionally appropriate to the leader of an elected municipal council. The term "president" has connotations of a larger legislative body. But I would be agreeable to any submissions made by representatives of local government.

POLLUTION AT VENUS BAY

The Hon. E. H. WALKER (Melbourne Province)—I refer to the matter I raised last Thursday about pollution at Venus Bay. The Minister of Water Supply promised to investigate the matter. Has the Minister completed the investigations? What authority or individuals were included in that investigation? What measures are to be taken in regard to the problem and, if measures are to be taken, what funds will be provided for those measures?

The Hon. F. J. GRANTER (Minister of Water Supply)—I received two letters, one from the Murray Goulburn Co-operative Co. Ltd and the other from Mr R. H. Leslie, secretary of the Leongatha Sewerage Authority. The letter from the company did not agree that it has created any pollution. The letter from the sewerage authority stated

that that authority had undertaken investigations of Venus Bay. That authority could not find any of the pollution mentioned by Mr Walker. However, Mr Walker did show me photographs of the area concerned.

The Hon. E. H. Walker—Did you consult with the Environment Protection Authority?

The Hon. F. J. GRANTER—I did not.

The Hon. E. H. Walker—Will you do so?

The Hon. F. J. GRANTER—If Mr Walker requests that I confer with the Environment Protection Authority, I shall do so. The outfall pipe was installed with the approval of the State Rivers and Water Supply Commission, the Health Commission, the Lands Department and the Shire of Woorayl. I have investigated the matter and found no evidence of pollution, although I am willing to contact the Environment Protection Authority as Mr Walker requested.

SHIRE OF OMEO (GOLD MINING) BILL

The Hon. D. G. CROZIER (Minister for Local Government)—By leave, I move:

That I have leave to bring in a Bill to authorize the granting to the Corporation of the Shire of Omeo of an exploration licence and a gold mining lease under the Mines Act 1958 in respect of certain Crown lands reserved for public purposes, to authorize the said corporation to enter into agreements in respect of any such licence or lease and for other purposes.

The motion was agreed to.

The PRESIDENT (the Hon. F. S. Grimwade)—I have examined this Bill and, in my view, it is a private Bill.

The Hon. D. G. CROZIER (Minister for Local Government)—I move:

That this Bill be dealt with as a private Bill.

The Hon. W. A. LANDERYOU (Doutta Galla Province)—I understand the interest of the Minister and I understand that the Opposition is on notice, at least on an outline of the Bill. The Labor Party has not examined the Bill but is asked to declare an attitude with respect to its being public or private. That is an unfair question to pose at this stage. I ask the Minister to reintroduce the Bill after the Labor Party and the National Party have had an opportunity of perusing the Bill.

The Hon. D. G. CROZIER (Minister for Local Government—I am quite prepared to make available a copy of the Bill to Mr Landeryou and the National Party with a view to deferring the motion until later this day.

By leave, the motion was withdrawn.

PAPER

The following paper, pursuant to the direction of an Act of Parliament, was laid on the table by the Clerk:

Youth, Sport and Recreation—Report of the Director-General for the year 1978–79.

EDUCATION

The debate (adjourned from November 29) was resumed on the motion of the Hon. B. P. Dunn (North Western Province):

That the views of honorable members with respect to the aims and objectives of education in Victoria and the strategies and administrative changes necessary to implement them be referred to the Minister of Education for consideration in connection with the current Ministerial review of education policies.

The Hon. W. A. LANDERYOU (Doutta Galla Province)—So far, the House has been treated to some very interesting points of view, but, in the main, I have observed that those speakers have been concerned with the nuts and bolts associated with educators and education generally. I want to talk on a subject which is dear to me in a philosophical sense, and I hope, as the Minister of Education has indicated that he is taking seriously the views expressed in the House by honorable members, my words will not fall on deaf ears.

For most of the people I have spent a good deal of my life representing, in one form or another, the education system is not only irrelevant, it is also an agent of repression, because most semi-skilled and unskilled Australian workers have not, and do not, receive the benefits of the education system. They are, to my mind, its victims, the afflicted.

For those people, in the main education is ten years of enforced boredom, trapped in a hierarchial and authoritarian institution for no reason other than being between the ages of five and fifteen years. For them, the education system is the means of legitimizing a social structure whereby those who perform the pleasantist, most interesting and less physically arduous tasks in our society not only enjoy the best wages but also the very best of conditions. Those who do not measure up to the standards imposed on them by the education system are condemned to the menial and backbreaking tasks which keep our society—this society—functioning.

The education system serves as a screen, a screen that obscures the reality that their future working life is dictated by where they were born and who their parents were; a screen that fosters the illusion that they are not intelligent enough and, worse still, are not qualified. Our school system gives the false air of respectability to the unjust and unequal distribution of rewards which characterizes the society in which we live.

Instead of being a force for making our society more equal, more egalitarian, the educational system has the effect of increasing and codifying the stratification that is inherent in our economic system. Despite all the rhetoric of equality of opportunity, the advocates of free and compulsory education, over 70 years of more or less universal schooling have had little effect on the basic class structure of Australian society. Invariably it is still true that for most people their horizons, their occupation and even the kinds of places where they live are much the same as their parents.

This is not only true for the old established Australian working class but is also true for the sons and daughters of our ethnic communities who are now in the main condemned to the same depressing and self perpetrating cycle. Indeed, there are indications from more learned educators than I that inequality in schools sharpens these divisions. I refer to various writings of Mr Lancaster Jones who puts my argument far more succinctly and, perhaps from an education point of view, far more convincing when, in speaking at the ANZUS conference held in Melbourne in 1977 he said:

> Education becomes the prerequisite of entry to most occupational roles in the community. Thus, notwithstanding an over-all rise in the level of general education, the demands of occupational specialization in industrialized countries have meant that higher education exerts a centrifugal force on the occupational structure, driving its two extremes farther and farther apart.

With the growth of education and the increased emphasis on formal qualifications, what limited opportunities there were in the past for the worker to rise up the ladder within our society from the factory floor are now decreasing. Doubtless most honorable members will be aware of the somewhat frightening statistics that more than eight out of ten of those Australians who have never attended school are manual workers, and that seven out of ten who completed the highest grade of secondary school are now non-manual white-collar workers.

Therefore, the relationship between social class and education achievement holds true, in my view, at every level in our society. On average, working class children do worse at school, they leave earlier and they move into the worst paid jobs. The "benefits" of the so-called school system are not for them.

Recently, the extent of this inequality has come to be generally accepted in our community. The notion of the education system as an agent of class inequality is hardly a new one. Radical nineteenth century commentators were well aware of that relationship and did not hesitate to say so.

It has become extremely unfashionable to suggest that this set of relationships comes about because working class children are inheritently lazier or less intelligent than the rest of the school population. It has become recognized that children in working class areas have been the subject of massive discrimination.

Until the election of the Whitlam Government, no attempt was made to give these children even the basic es-

sentials which are regarded as a right in the more affluent suburbs. Under the Whitlam Government, for the first time education funding was determined on the basis of need, not privilege.

This attempt at educational justice is in the process of undergoing a rapid reversal at the hands of the present national Government.

The Hon. P. D. BLOCK (Nunawading Province)—On a point of order, Mr President, under the forms of the House I understand that when an honorable member is quoting from a document, he should indicate, from which paper he is reading and be prepared to table the document, if requested. The Leader of the Opposition appears to be quoting at length from a document and I am wondering whether he will table it.

The PRESIDENT (the Hon. F. S. Grimwade)—Under the usage of the forms of the House, any references which are made to authenticate a document are made known to members of the House. If on the other hand Mr Block is suggesting that the Leader of the Opposition is reading his speech, I have been watching the Leader of the Opposition very carefully and I believe he is making use of copious notes. I do not believe he is reading, but if he is reading, I ask him not to continue to read.

The Hon. W. A. LANDERYOU (Doutta Galla Province)—I share your belief and congratulate you on your powers of observation, Mr President. I was going on to point out, before I was so rudely interrupted, that this attempt at educational justice is in the process of undergoing a rapid reversal at the hands of the present Federal Government. In its concern for the outrageous privileges of pupils of schools like Geelong Grammar, the present Federal Government is merely continuing the precedent set by earlier Conservative Governments in this country. When a former Prime Minister, as he was then Mr Robert Menzies, sought to buy the religious vote in the community, he did so with grants to private schools for science blocks, grants which in the main could only be taken up by the relatively rich and wealthy prestige schools.

Again it took the Whitlam Government to settle the question of State aid with funds distributed on the basis of need for all schools—State, private and parochial schools. Whilst all democrats would welcome and must welcome the policy of recognizing and seeking to eradicate disadvantages as pursued by the last Whitlam Government and doubtless by the next Labor Government, nonetheless the question is far more complex than that. The real question of the role and future of our schools touches the very basis on which our social system is built. What we need is not more of what we have got, but a new concept of education, an education system which involves and is dependent upon the restructuring of our social system.

The first advocates of compulsory and universal education were in the main, disarmingly frank about their real motives. Schools were a very effective way of inculcating obedience and respect for authority, a way of producing a well-behaved work force with the minimal standards of literacy and numeracy that were necessary in a so-called industrial society.

Whilst some may have seen mass education as ushering in a new age of democracy and enlightenment, the reality of the quality and standard of the education doled out to the children of the working people of this State clearly reveals its true role.

I am not suggesting that, for a few working class children, the education system did not offer the hope of escaping the factories and assembly lines which were the lot of their parents and school fellows. For some, education was a way out, a way up the social ladder, but this escape was for a very small percentage indeed. In terms of education in our society, the opportunities that are offered to those people of whom I have been speaking, are very small indeed.

Whilst this escape was of undoubted material benefit for those individuals, perhaps the over-all effect on the lot of the working class, in my view, was not so desirable. In the past, we have seen

numerous examples of the working class intellectual men and, unfortunately only in a few cases, women, who educated themselves whilst remaining on the factory floor and who put their skill at the service of their fellow workers. I refer to men like Tom Mann, William Lane, John Curtin, Ben Chifley, Albert Monk and I suppose, in that sense, even the founder of my own union, Percy Clarey. I suspect that one of the events of universal and compulsory education has been the leaching off of gifted and talented individuals and the absorption of those leached off into a heirarchy that divorces them from the needs and aspirations of the people with whom they grew up.

For the rest, for the overwhelming majority who do not make it, the school experience confirms their sense of failure; for that is what they are in the view of the prevailing mythology of our society—failures, condemned at the age of fifteen years to a lifetime as second-class citizens—a point to which I shall come back later. What has been the response to the recognition of this discrimination? I shall ignore for the present the response of the current reactionary Federal Government and concentrate on the reformers.

It would appear that even the most progressive of educators is unable to look to a critique of the entire system. Confronted with the reality that a very small number of working class children make it to the tertiary level, their solution is a further injection of funds to institute a whole series of programmes to give every child the opportunity to go to university. In other words, the goals of the education system are not called into question, only the opportunity to participate. Astonishingly, so far in this debate, those goals have not been seriously questioned.

Confronted with the fact that only one-third of children entering secondary school in 1969 and 1970 were still attending school in their final year, 1974, the aim of the reformists is to ensure that all these children will stay on until their final year, or even go one better, and go on to university.

I most vigorously assert the right of every child to the opportunity of a tertiary education, but to frame an education strategy with this as its main goal is to ignore the essential structure of the society in which we live.

To assert that the school system has failed because it has denied the majority of most children who enter it the chance of higher education is a curiously naïve view of the role our schools fill in the over-all economic and productive process. Although our schools demonstrably fail to meet the demands of our educational reformers, I suspect that the schools meet the needs of industry fairly well.

The Hon. H. M. HAMILTON (Higinbotham Province)—I raise a point of order. I suggest that the honorable member would save time if he were to table his speech and have it incorporated in *Hansard*.

The PRESIDENT (the Hon. F. S. Grimwade)—There is no point of order.

The Hon. W. A. LANDERYOU (Doutta Galla Province)—I suspect that the boring, stultifying nature of the educational experience serves to prepare the majority of children for the boring and stultifying jobs they will enter. The majority of jobs in our society do not demand imagination, creativity or initiative; indeed, in many occupations such qualities may prove to be a positive disadvantage. The majority of jobs in our society are dehumanizing, alienating, tedious and monotonous. In what meaningful sense can one relate the professed goals of education——

The Hon. H. M. HAMILTON (Higinbotham Province)—In all seriousness, I point out that the honorable member is reading his speech. There is no question about that.

The PRESIDENT (the Hon. F. S. Grimwade)—Order! The Leader of the Opposition knows, as do other members of this Chamber, that it is out of order to read a speech. I have been watching Mr Landeryou, and in my view he is getting dangerously close to reading. He is certainly making a number of

comments that are not read. I invite the Leader of the Opposition to make his speech off the cuff, without reading it.

The Hon. W. A. LANDERYOU (Doutta Galla Province)—There is no difficulty with that. Unfortunately for Mr Hamilton, I am not reading the speech. Some points could be made in a quarter of an hour and others could be made in 30 seconds. I am endeavouring to give the House a shorter version. I am in your hands, Mr President, and I hope Mr Hamilton has the good grace to stay and hear the arguments that are put.

The goals of our education system are completely unrelated to the interests of the vast majority of people whom we claim to represent. It is a sick joke to play on the children who fill those vacancies and tasks within our society in later life, to provide during their school-age years concepts of self-realization, of autonomy and of inquiry, when in the main society has in store for them a future which will allow for none of those attributes or attitudes. In the present economic climate, only a finite number of jobs are available and will be available in the future, and, although it is difficult for people like Mr Hamilton to understand, our society is undergoing the most radical change known to man in the so-called industrial society. Changes are taking place which are so radical in the way in which society has operated and the reforms of the work force and its qualifications that one could be excused for believing that those who are responsible for the current crisis in education have not even examined the crisis in the economy or the society.

The Hon. P. D. Block—Are you talking about the post-industrial revolution?

The Hon. W. A. LANDERYOU—Of course, I am. It is true that the society has places only for a limited number of professionals, graduates and the like, but from day one the Victorian education system has been geared to produce university graduates. That seems to be the sole objective of the educators and the system. What kind of skills are required or suitable for the assembly line workers? Somebody suggests Liberal Party skills. What curriculum can be devised for the person who places frozen chickens in plastic bags?

The Hon. P. D. Block—It is said that our society is on the way out and that is part of the tragedy.

The Hon. W. A. LANDERYOU—I understand what Mr Block is trying to put to the House by way of interjection, that there will not be room in society for such workers. All of that will occur, but the extent to which it occurs without any real social planning in a social or educative sense will have enormous social cost.

The Hon. P. D. Block—I agree.

The Hon. W. A. LANDERYOU—I am glad that a member of the Government party agrees. Although it is true that the percentage of unskilled and semi-skilled workers in our society is smaller than it was in the past, there is no prospect in the immediate or long-term future of these jobs disappearing, in the absence of planning, given our current economic system. That is the reality. That is not to say, as I hope Mr Block will agree, that those dehumananizing jobs could not and should not be abolished if that were our social aim. Without a social plan we have no aim.

The Hon. P. D. Block—It is exciting that with the computer revolution we can get rid of some of these jobs.

The Hon. W. A. LANDERYOU—Yes, but that must be done with the least human inconvenience and suffering. As mankind emerges with a pace, which astounds those who observe it and confounds those who do not observe it, towards the completely computerized society, and we are emerging at an extremely rapid rate week by week towards that objective, there is no social planning about the effects it will have. That is the point I am trying to put to the Minister in respect of education. I would be the first in line to advocate the abolition of dehumanizing jobs but if the social costs of that are never measured, considered or balanced, it would be an outrageous position denying human

potential and the ultimate potential of our community. I am sure that with proper social planning we could eliminate those types of demeaning tasks. Perhaps we could roster them. Perhaps members of this House could go on the roster.

The Hon. P. D. Block—It is a great challenge facing society.

The Hon. W. A. LANDERYOU—I said that it is a great challenge. I am pleased that at least one member opposite agrees. I was talking about a roster. I wonder how long it would take society to eliminate those tasks. I have spoken about how long it would take to come up with an automated process if the articulate and privileged in the community were expected to do their share on the assembly line.

The Hon. P. D. Block—Have you been on it, Mr Landeryou? I have. It is a demeaning experience.

The Hon. W. A. LANDERYOU—It is. I am lucky that I had to do it only as a student for only a short time.

The Hon. P. D. Block—I did it for a living.

The Hon. W. A. LANDERYOU—I suppose that, in a sense, Mr Block is still doing it, given the way the Government introduces legislation in this Parliament.

For the society to adopt such a goal would be to reverse the prevailing ethos and thrust of our economic system. It would mean that the work people did and the way in which it was done would be dictated not by the profit principle but by the needs of the people who made up the society. It would mean efficiency would have to be forsaken in the cost accounting sense for meaning and satisfaction.

It may be that even to speculate on such a society is hopelessly Utopian, but it must be said that, until the society is structured in such a way that work is meaningful, socially necessary and promotes welfare of the individuals that make up that society, any educational philosophy that aims to develop each individual's potential to its fullest is at odds with the reality of a working life. It will of course be said that I am taking a narrow, overly-idealogical view of the role of schools in the community; that the school can and should do more than prepare the pupil for later working life. On one level I would agree with that proposition.

Every child should have the right to be exposed to the richness and diversity that is our cultural heritage, a heritage that I hope includes all of the ethnic cultures that exist in our multi-cultural society. Every child has the right to expect that his or her educational experience will be both stimulating and creative. But if educators are serious and genuine in their concern for individual development, they must go further. Embarrassing and difficult as it is for some members of the House to understand my interest in this matter, I still wish to pursue the presentation of this view because I think it is important.

It is not sufficient to reject the old notion of minimal skills and maximum discipline, "All the better to serve the boss", for a more progressive notion of child-centred development, unless the educators are prepared to point out to the pupil the ways in which the present economic and social structure denies that individual the opportunity of a productive and fulfilling working life. To the extent that industrialists generally regard education as filling any role, they see it in terms of preparing a child just for work. Education must be more than that. Educators must, to be consistent with correct objectives, provide the pupils with those skills necessary to play a role in reshaping the society which will meet the demands of autonomy, creativity and individual satisfaction.

Far from my argument being one which gives aid and comfort or a weapon to the reactionaries who wish to turn back the clock to the days of the three "Rs", it is that the new notions of the role of the school and education must be extended even further than the present Minister has been prepared, with some degree of enthusiasm I acknowledge with pleasure, to press. The schools must become one element in the move for a total restructuring of

society. The school must project the same preoccupations that it has in the class-room to the society as a whole.

It is just not the absence of funds that creates this disadvantage, as significant as the absence of funds is, and makes working class children the victims of the system—it is the education system itself.

Therefore, to be more positive, what is left to educate; what sort of immediate short-term reforms are needed? Many of our progressive educators might begin by examining their own bias. The legacy of their own class, culture or sub-culture, should also be examined. It could be that the kind of cultural attributes that they find commendable are obscuring a different, but no less valid, culture that exists in the suburbs where they teach.

Middle-class educators must decide whether they are mini-cultural imperialists travelling from their own affluent suburbs, or bearers of a culture that is neither relevant nor acceptable to the people they are meant to serve. This unconscious bias may be partly the cause of over-emphasis on tertiary institutions as the ultimate goal of our education system. To graduates of tertiary institutions, as most of those who attain such goals, it would seem therefore only natural that they would prepare a programme that would be prized by educators who were subjected themselves to the same system, and they would prize the opportunities offered at the tertiary level to the exclusion of other fields of endeavour and learning.

It astounds me that we continue to persist with this notion as we race towards the 21st century—that university education in itself should be the ultimate goal of the education system. Changes are occurring and more recent changes have been proposed by the present Minister. I hope in a conceptual sense the canvas is neither broad enough nor the paint is going on quickly enough. It is my impression of society, that over the past ten or twenty years the old culture of the inner suburbs, such as Richmond and Collingwood, has suffered a terrible battering. The old pride in being a resident of Collingwood or Richmond is not there as strongly as it might be, and certainly not there as strongly as it was. The lamentations of Captain Blood, who recently retired, expressed a point of view that is strongly felt by all Tigerland dwellers and many Magpie people.

The Hon. N. F. Stacey—Is Australia the same as it was?

The Hon. W. A. LANDERYOU—I think that is accepted. There is nothing new in that, but the interaction that existed in those communities is no longer there to the extent and strength it was in the past. There were in those communities rich interaction and all sorts of mutual support systems but they do not exist to the same extent now, and to a large extent, in some of the outer suburbs, they have virtually disappeared. That is because of a large number of factors; the arrival of ethnic communities and the shifting out of old citizens, third and fourth generations, from those communities. It is also due to the invasion of what members of the Opposition refer to as the "trendy professionals" in those areas. Obviously, the influence of television, and the breaking up of smaller community groups, has had an enormous influence, but whatever the causes, I detect an increasing air of ruthlessness and almost hostility in the areas about which I have just spoken.

Young men and women, whose parents have been actively involved in local sporting organizations and in local government, show none of their parents' sense of identification and community involvement. They just appear to have lost this. That just cannot be a failure of the three R's system, its implementation or otherwise. It cannot be a failure of a formal approach in education.

In my view, there is a case to be made out that those people have lost the sense of belonging to a society which constantly reminds them of the conspicuous affluence in our community,

and the conclusion they draw from that constant reminder is that richness and affluence will not be part of what they share. The education system has innocently or otherwise preconditioned them to accept that they are what they are and cannot improve beyond it.

One of the things that constantly astounds me in our society is that we have examinations for children at 15 years which, in my view, does not later in life enable that student or pupil to break the nexus between schooling and education. It is completely incorrect to believe one's education finishes the day one leaves a formal institution. To judge a man at the age of 50 on the basis of whether he did or did not pass an examination at 15—on the basis one assumes that he stopped learning at that point when he left school—is outrageous arrogance. The Minister is contemplating opening up—I hope at a faster rate than is occurring in our society, even if it is not as fast as I am about to advocate—our educational system so that it will have meaning and relevance to all our community. I often get into trouble at some of the institutions with which I am associated when I say that we should remove the archaic system on apprenticeships, restrictions which, in my view, only further disadvantage those who have been denied opportunities early in life.

The Hon. H. M. Hamilton—The trade union movement is the greatest barrier there.

The Hon. W. A. LANDERYOU—I understand the difficulties of the trade union movement, and I understand the difficulties that even employers have. I understand the difficulties of people who have a tie, whether it be in an academic sense or a craft sense, over a particular occupation. I understand the real threat to dilutees, and the breaking down of conditions, but the archaic restrictions that apply to apprenticeships deny opportunities in later life to people who were denied opportunities early in life. It seems to me almost patently absurd that one can become the highest skilled brain surgeon or internal plumber of the human body, at any age of his life, but unless one took the right steps, or ones parents knew somebody or knew the right person, one cannot become an apprentice plumber later in life. I have never been able to understand or accept it, although I have appreciation for the difficulties associated with those who follow that profession or occupation.

I have been endeavouring to put to the House that we are at the watershed of enormous changes in industry, in our society, and in our industrial way of life. New methods of production and new organizational structures will call for qualities and skills that have never been demanded in the past. Unless the education system can rapidly take account of these changes—and that is what worries me; it is not built to rapidly take account of changes which could have been projected and predicted a long time ago—and move to satisfy these new needs, it will be condemned to almost increasing irrelevance.

The real education of the large number of people I represent will occur not in the schools, but outside of the schools, in the community at large.

The Hon. P. D. Block—It has always been that way.

The Hon. W. A. LANDERYOU—I accept that, but the demands of society in the future, in an age where communication and technology will put demands upon individuals will be such that we can no longer leave education to accident; in terms of social costs, it has to be planned. I come down heavily on the side of those who believe we should move in the direction of freeing our education system, breaking it out of its restricted form, and allowing individuals to drop in and drop out of the learning process throughout their lives, not just in the relevant years. This would allow people to look at their real needs, and would enable their interests and capacity to grow. It would also enable their real needs to develop and generate further investigations in their minds, and therefore extend beyond the formal education of that which we call school.

That idea is hardly new or revolutionary, but it does seem logical that someone who has spent time in the

work force will have formulated questions that will mean something to them, that will make learning a new experience and a new experiment for them. In such a set-up, I call for the Minister to discuss again with his educators so that they can search for relevance of the education system to encourage people to search for relevance at all stages of their life.

I have no doubt that should apply to the teaching profession, the same as it applies to parliamentarians, as we drop in and out of this place. It should apply in my view if not to all occupations and professions, at least to those who choose not to follow an occupation. I have in mind the countless thousands of women in our community who are committed to a lifetime of fairly clock-work-time drudgery. The education system to an extent endeavours to cater for that, but not in a way or the scope I would like to see it.

That leads me to the next point. I once shocked a gathering of academics by suggesting that employees, as a matter of right and as a matter of course, should be able to have time off for study in the same way as academics assume that they have an exclusive right to sabbatical leave. It seemed to me perfectly plausible in a well organized, planned society that that should occur to meet the needs and requirements of people's fulfilment and personal development. Employees should be able to accumulate leave, which is not annual leave, but leave which could be used for the purpose of education.

It does not have to be a form of education locked into the class-room. They do not have to be locked into a class-room; there are far more interesting ways for students to take part in the learning process. Some form of sabbatical leave should be available for those workers. One can imagine how much more interesting life would be for a worker on the assembly line in a mass production company if he could expand his mind and his interests in this way. The same principle applies to the staff of this Parliament, who work extraordinary long hours. If they had that right to do so and wanted to exercise it, they could tour around Australia and perhaps visit other countries to expand their knowledge.

The Hon. J. V. C. Guest—They see enough oddities here!

The Hon. W. A. LANDERYOU—That thought must be foremost in their minds whenever Mr Guest is in the Chamber!

I was speaking in terms of this small establishment, in terms of the number of people employed, and wondered whether it would contribute to a richer life and a better educative development for those employees if they could take part in the type of leave I propose. I refer not only to the senior officers of the Parliament, but also others. Any company of a reasonable size should engage in this type of process.

The Hon. J. V. C. Guest—That is an excellent idea, but what if the people concerned wanted to spend the time with their families for a few years instead of educating themselves? Would you allow them to make that choice?

The Hon. W. A. LANDERYOU—I am generally on the side of providing maximum choice. Considering some of the hours we spend here, it would be extremely beneficial for some members to spend more time with their families. In a well organized workplace, it can usually be arranged to allow people to spend time with their families.

The move away from considering school years as the only time for education has been developing, and under the jurisdiction of the new Minister of Education it has progressed more quickly than under the previous Minister—I hope that observation is correct. It should also be accompanied by a real definition, not just a vague one, of the role of the school in our society.

The idea of the school as a resource centre serving the local community, not just the students who attend it, has wide support. As the Canadian experiment has proved, the involvement of educators and the school with the community has led to some extremely interesting and pleasing results. The involvement of the community is one way of ensuring that needs that have been

experienced come to the attention of the educators as an additional way of alerting them to the needs of the community. The school, working with the local community, has the opportunity of acting in the critical role that I have suggested is necessary if the aims of progressive educationists are to be implemented.

Obviously, once the school starts to take seriously the role I have been talking about, as a community resource and as a sector for reform—and that is important; society should be developed by developing the people in it—problems will arise, not only in terms of some of the Utopian concepts that educators and reformers have talked about, but also in real practical terms.

The present Federal Government has demonstrated adequately that it is no friend of free speech or community action. It has already closed down a number of highly successful community orientated programmes, crushed an access radio station and embarked on a massive campaign aimed principally at the trade union movement as the first line of attack. The announced cutback in Federal funding, and presumably the threat of further cutbacks—and it follows that, as a result of new federalism, unless the State Government introduces a State income tax an almost impossible burden will be placed on the current finance-raising capacity of the State—may place those who take the ideals of education seriously in a precarious position. If nothing else, such a situation should bring home graphically to educators the fact that they do not operate in a vacuum and that any reform of the school system impinges on and is dependent on changes in the total structure of the society and its infrastructure.

The goal of a free and creative learning environment makes sense only as part of a wider struggle to build a free and joyous society. I firmly believe—and in a philosophical sense I am in strong company—that the true measure of any society is the happiness and well-being of its people. Therefore, the real aim of the progressive educator is to prepare children for working roles that we have yet to create, in a society that we have yet to build.

The Hon. H. M. HAMILTON (Higinbotham Province)—The subject of education is one in which all members—in fact the whole community—claim some expertise. There are few other subjects which we discuss on which people have such a wide knowledge and such a diversity of opinions. We present our views based on our own experiences as members of Parliament in our discussions with people involved in the realms of education and as individuals whose own children or close relatives have more recently experienced the system as we know it today.

My experience of education is a mixed one and was mostly involved in the State system. Perhaps in today's terms I was educated under conditions of severe disadvantage in a disadvantaged school, which would probably leave the average school teacher today gasping in horror. I remember that our headmaster at a country higher elementary school spent his mornings at the country State school; his lunch-time was spent walking approximately one and a half miles to the higher elementary school where he taught classes, and after school finished in the afternoon he returned to the State school to finish the administrative work. That headmaster was so interested in the welfare of his individual students that quite often he ran specialist classes of a remedial nature, because remedial teaching had not been heard of in those days as a specialist vocation. Nevertheless the teachers conducted their own remedial teaching; they knew the needs of the pupils they taught and they did their best to see that they were covered.

The Hon. W. A. Landeryou—That still occurs at some State schools now.

The Hon. H. M. HAMILTON—I realize that, but many teachers do not regard it as their function, and complain bitterly that the State Government and the Education Department in particular do not provide remedial teachers.

I had the privilege of attending a private school for a short time—only a couple of years—then I joined the work

force and paid my own way through university in subsequent years, so I believe I have had a fairly wide experience of the education system as it was. Since those days astronomical sums of money have been channelled into education generally.

The members on the other side of the House spoke as though the watershed occurred during the disastrous years of the Whitlam Government. That is not so. The watershed in Victorian education at any rate occurred when Sir Henry Bolte was elected as Premier of Victoria because any examination of the financial problems would show that from the time Sir Henry Bolte and the Liberal Government took over, for the first time massive funding was diverted from the State Treasury into education, after years of neglect by Labor and National Party Governments in particular.

The Hon. D. M. Evans—There was a war on during that period, or didn't you know? They seemed to do pretty well during that time.

The Hon. H. M. HAMILTON—That is interesting, because most of the term of office of Sir Albert Dunstan, about whom I was talking, took place before the war, and any money he spent on education—and, indeed on a number of other areas—would not be enough to fill a hat. He spent nothing that he did not need to, and the subsequent administrations that took over Victoria for a number of years followed in the same pattern and spent the bare minimum on education until Victoria got a Liberal Government which provided the watershed I mentioned. From then on expenditure on education ballooned alarmingly.

As an accountant by profession, I look at the enormous sums that are spent and ask myself what sort of dividend we are receiving from it, because we are always told that it is an investment. The dividend we are receiving is very poor, because the improvement in the ultimate output from schools in terms of human lives and young people is negligible. I agree that those destined for an academic or professional career probably come out much better equipped, but in my view the average student, particularly the slow learner, is no better off than, and in some cases is not as well equipped to face life, as the student who graduated 30 years ago. That is the tragedy of our system because these enormous amounts that have been allocated in recent years to education have failed to produce a better average quality.

Recently my family and I went on a shopping expedition. We stopped in one shop and bought a few small items, and my eight-year-old son turned to the shopkeeper and said, "That will be $3.45" or whatever the total was. The shopkeeper was astounded and asked if my son would like a job at the week-end because he could not get children who could add up to work there after school.

The Hon. E. H. Walker—Are you teaching him at home, because you said the present education system was no good?

The Hon. H. M. HAMILTON—He is receiving a lot of encouragement at home, and I point out that some pupils graduate with a much greater advantage than they did 30 years ago, but the average student does not. I mentioned that we view our education system from the point of view of having taken part in it ourselves, having talked to people involved in the process of education, such as teachers and so on, and another category I mention is that of employers. Those in this House who have had the problem of trying to engage people with certain skills and educational backgrounds for positions at all levels are well aware that the bulk of them are ill-equipped for this purpose. Today, to find a secretary who can spell is a miracle.

The Hon. R. A. Mackenzie—As a result of overcrowded schools.

The Hon. H. M. HAMILTON—That is an interesting statement. I heard a young teacher making a similar statement at a school recently. I asked another teacher where she had spent her first six or eight years of teaching and what her class sizes had been. She told me that 40 was the lowest class size. I asked the young teacher what her maximum class size had been. I forget the exact number but it was in twenties.

I cannot accept that this is the result of overcrowded schools. It is the result of the quality of teaching. I expect, and I am sure the community expects, a much higher all-round standard than the system has been producing. Again, I emphasize that the students who appear to be destined for a professional or academic career seem to be better qualified to achieve that end than those in earlier years, but the great bulk of students are not as well prepared for adult life. What is the difference and why does this difference exist?

Young people today graduate from high school with a different attitude from the people I knew a generation or two ago. One of the biggest differences, to all appearances, is a type of attitude which suggests, "The world owes me a living," not "I am coming out and I have to make my way in the world," but "I am coming out from school and I am owed a living by the community." This is the widespread attitude today and it is the sort of attitude underlying the welfare state. People today are turning to the State and saying, "Give us this, give us that; spend more money on this, spend more money on that," and people are prepared to contribute less and less of their time and energy to securing goals. Young people are emerging into the community imbued with the same philosophy.

One of the biggest difficulties is the attitude of teachers themselves. The great bulk of our teachers are motivated and are trying their best to produce better citizens and better equipped students but, for all that, an increasing number of them, contrary to what used to be the accepted standard, are doing their best to involve students in radical politics, to inculcate an attitude of hostility to the whole way of life today.

There is no question that, a few years ago, it was a matter of honour for teachers not to involve their students in politics as such, to teach them political institutions but not to involve them in politics. It was particularly a matter of honour to try to inculcate a feeling of respect for community institutions. Today the reverse is the case. Many teachers do their utmost to involve students of quite tender years in radical politics, and many teachers do their utmost to deride existing institutions. The involvement of young children in such matters is quite reprehensible and its ultimate effect is evident in the attitude of students coming from so many schools.

The Hon. E. H. Walker—Do you personally know any technical school or high school students, or are you speaking only generally?

The Hon. H. M. HAMILTON—Of course I know technical school and high school students. I am in contact with the community just as much as Mr Walker is. I talk to them, I move among them and I talk to their teachers.

The Hon. D. E. Kent—Do you ever listen to them?

The Hon. H. M. HAMILTON—Of course. It is quite evident that, when the truth is spoken on these matters, the Labor Party takes exception to it. Honorable members sat and listened to a speech of pure political propaganda from the Leader of the Opposition. Indeed it was a well-written speech. The only trouble was that he did not appear to understand or to be able to pronounce many of the words. From time to time, his speech writer ought to take into consideration his limitations.

One of the weaknesses in the education system is something that has grown up in relatively recent years, the practice of appointing and promoting teachers entirely on their academic qualifications. Most people have suffered under teachers who were highly qualified academically but who were totally unable to impart their knowledge or to draw the best from their students. To promote people entirely on their academic qualifications is, to say the best, quite stupid.

The Hon. E. H. Walker—Yes—seniority is all that matters.

The Hon. H. M. HAMILTON—It is not even based on seniority. If it were, the teaching standards would be better. Many teachers believe promotion should be based on academic qualifications and this peculiar system of assessment by

their peers, which is not based on ability at all and which has become a laughing stock in many circles. The result of that is unsuitable teachers, some of whom are quite unsuitable to be teaching, let alone to be promoted.

Let me tell honorable members of one case that occurred recently. A certain high school principal, a progressive in education, decided that two subjects would no longer be compulsory, history and geography. Children going to form IV. at the normal level, when it is to the advantage of anyone to learn a little history and a little geography, were choosing subjects which bore no relationship to their needs in life once they left school.

Probably for his progressive views, this teacher has recently been promoted to a higher post. This emphasizes the weakness of the system which has gradually given more independence to the individual teachers and the individual schools so that the standards they set, the quality of their teaching and the quality of the students emerging from schools varies from one school to another because there is no over-all supervision, over-all guidelines and so on.

The Hon. E. H. Walker—Whom would you blame? Your party has been in Government for 25 years.

The Hon. H. M. HAMILTON—I would suggest to the honorable member who is continuing to interject that he should rise shortly and make his own contribution.

The PRESIDENT (the Hon. F. S. Grimwade)—I would suggest that the honorable member should ignore the interjections.

The Hon. H. M. HAMILTON—I suggest to Mr Walker that the House will undoubtedly be delighted to hear a continuation on the class-struggle philosophy which was dealt with so admirably by his Leader who, however, had little regard to the true situation. The House would be delighted to hear a continuation of the political propaganda the Leader of the Opposition poured out a short time ago, from the pen of somebody outside this House, through his own mouth. It will read beautifully in *Hansard,* of course but, as a contribution to the debate, its validity must be seriously questioned. The Labor Party does not like some of the truths that are coming out because it is well known throughout the community that the radicals of the left have gained control of substantial sections of the teaching community and are prostituting it to their own ends, to the disadvantage of the education system.

I emphasize the importance of returning to the simple criterion of appointing and promoting teachers: their ability to teach. I do not believe anything is more important. There is no question that qualifications must run secondary to the ability to teach. Many of the failures of today's education system are the result, not of their own lack of ability, but of the lack of teaching ability of teachers who have been appointed and promoted without regard to this essential requirement. I ask the Minister to examine the need to establish standards for teachers.

The Hon. E. H. Walker—Cleanliness and dress?

The Hon. H. M. HAMILTON—That is a very good point, and I could not agree more. One of the most reprehensible features of the education system is that it allows teachers to teach while looking as if they had slept in their clothes and probably had been engaged in a bit of street warfare in them. There was the classic example of a teacher I know of who appeared in front of his class one hot day dressed in a pair of thongs, a pair of dirty looking jeans and a blue athletic singlet.

The Hon. Joan Coxsedge—Perhaps he was a very good teacher.

The Hon. H. M. HAMILTON—On the contrary, he was an extremely poor teacher with an extremely poor record, but because he was an active member of the teachers' union he belonged to, he received his promotion and is now in a position of some responsibility. Those sorts of things should never occur and I ask the Government to ensure, firstly, that teachers themselves set

proper and adequate standards for their pupils in matters of deportment, dress, behaviour——

The Hon. E. H. Walker—And cleanliness.

The Hon. H. M. HAMILTON—I include cleanliness in dress. The second thing I suggest is that the department should get back to the principle of insisting that teachers are assessed by an independent body within the department. I know teachers have been literally revolting against being inspected and assessed by inspectors because they would prefer to be assessed by their peers on a basis of friendly help, but that does not produce good teachers. I know of no commercial system in the world which produces results from such a ridiculous method.

It is possible to establish a statistical measure of a teacher's ability. It would be quite a simple matter for any person with a little qualification in statistics to devise a measure by which the ability and the success of a teacher could be measured. It is essential that such a system should be introduced in order to obtain the best result from the system.

The Hon. Joan Coxsedge—On what criteria?

The Hon. H. M. HAMILTON—I leave it to Mrs Coxsedge's imagination. If the honorable member cannot think of the criteria, she ought not to be talking about education. She spoke at some length on the matter and now she suggests that possibly there may be no criteria.

The Hon. Joan Coxsedge—I was asking what your criteria were.

The Hon. H. M. HAMILTON—The criterion is success, a measure of success to be independently measured and independently assessed.

The next thing I want to suggest to the Government is that it should reexamine the place of examinations in our system. In recent years it has become fashionable to say that examinations are not a true test of ability and that they will be scrapped, but it appears to have been totally overlooked that they have not been replaced by anything better.

Although I agree that change is desirable in most things, it is only desirable when replaced by a better system. This is the plain fact that many of these so-called progressives overlook. If examinations are scrapped, what will replace them?

The Hon. E. H. Walker—Do you believe examinations have been scrapped?

The Hon. H. M. HAMILTON—Substantially, yes. For instance, what school still has the equivalent of a form IV. or form V. examination? Many schools conduct their own in-school examinations. Many do not even bother to do that, but those who conduct their own in-school examinations do so on their own standards and not on a universal, acceptable standard. I will come to that problem in a moment.

When some person approaches me for employment and claims to have completed form V. and passed the examinations, I still do not know whether they can spell or add up. That is a plain fact of life. Mr Walker would be aware of that because he is employing people and I have no doubt he has experienced the same problems.

The Hon. E. H. Walker—My experience in all the years I have been an employer is that standards have been improving.

The Hon. H. M. HAMILTON—I am pleased to hear the honorable member say that because that has not been my experience. I suggest we should return to some form of external examination. In any case, I believe if students are going to continue to professions or universities, they ultimately must learn to handle examinations throughout their academic career. Examinations are the only real method of assessment which is still available.

Although I have spoken before on the subject of self-assessment, shall we say, or assessment in schools, there are many shortcomings with this method. The first and obvious one is the variations between schools. The second and less obvious one is the personality

clashes involved in the personal assessment of individuals. The third is that in order to avoid the vagaries that occur in these assessments, it is necessary to have an assessment made by a number of people and not by only one person. To do so would be to place too great a strain on the available resources. Therefore, for these three major reasons I do not believe the system of personal assessment can work. Until someone finds a better method than examinations I believe we are stuck with the examination system.

The Victorian Universities and Schools Examinations Board was primarily geared to the needs of tertiary education. This body is being demolished, so to speak, if it has not already gone out of existence, and it is being replaced by a body called VISE, the Victorian Institute of Secondary Education. This institute has a wider charter for examination and assessment of pupils, but there is a widespread feeling that it is controlled by what are generally called progressives and will not be run for the ultimate benefit of the students. Indeed, a similar body was set up in Western Australia and the ultimate result has been a disaster. The graduates coming out from secondary education in Western Australia are of a highly variable standard and the Institute of Secondary Education in Western Australia is simply not accepted today. That is the view of educationists in this State. Indeed, in a much wider area I understand the Victorian Institute of Secondary Education has been drawing some attention in the international field, too.

The move away from the present higher school certificate examination to school assessment of students probably has the advantage of relieving some of the pressures on the students themselves because the examination system involves enormous pressures, particularly at higher school certificate level. I have already suggested that these pressures can to some extent be minimized by giving the students more experience in examinations as they progress through their courses, but the fact remains that the pressures are still there. School-based assessment may have some advantages, but I have outlined the disadvantages. For those reasons, it can never replace a universal system of examination on a predetermined standard which is common throughout the community.

There is a great fear that the institute as such will have no acceptance in Victoria in the same way that today the Western Australian institute is not accepted throughout that State. I have spoken of some of the weaknesses of the system. I should add that there are many strengths. One of the greatest strengths is the result of all the money spent by the State on education. It is an interesting experience to visit a school library or resource centre, as it is called today. The facilities available to students are enormous, but again I emphasize that we are not making the best use of them and that the shortcomings exist with the teachers rather than the equipment that they are being given. We should give much more attention to the teachers, to their ability and qualifications to teach, as distinct from their academic qualifications, to their attitudes and to their general approach to the whole task of teaching.

It seems that the principal teaching associations today are more intent on creating political upheaval than they are on improving the education system. If they devoted half the attention to improving the students and the system that they do to trying to destroy the Government of the day, the result would be much better. Many strikes fostered by the teacher unions today are based on falsehoods and misinformation.

A few years ago one of my colleagues had a strike at one of his schools. He asked what was the problem and was told that there was a shortage of migrant language teachers. He put the $64 question and asked the principal how many children attended the school who could not speak English. The principal said it was an interesting question and he would find out. My colleague said he would return the next day. He went back the next day and the principal told him that there was one child who was unable to speak English. My colleague then went back to his office

and roneod a letter to all the parents at the school who had been told previously that the strike was due to a lack of facilities for teaching migrants English. In his circular letter my colleague pointed out to the parents that there was one student disadvantaged by that lack of a migrant English teacher, and of course, the strike collapsed. I tell this story simply to illustrate that these teaching organizations will call a strike for no reason other than to embarrass the Government. It is time we returned to the primary task of equipping children to face life and not use them for political ends.

I commend Mr Dunn for bringing this matter forward and I believe the debate has been useful. Although a great deal of political propaganda and class warfare has been engendered from the opposition side of the House, I still believe that some of the matters that were traversed by honorable members were useful. I am sure the Minister will find them helpful in his present examination of the system.

The Hon. D. E. KENT (Chelsea Province)—Unfortunately, my education was only interrupted by a few years in the school system. I commend several speakers from the Labor Party for their contributions, particularly the eloquent contribution and the substantial matters which were raised today by Mr Landeryou. I propose to speak in political terms about education which is certainly under political direction. It is hoped that one of its objectives is to educate people so that they are able to exercise their responsibilities in Government. That is what politics is about. Even though Mr Hamilton is impeccably dressed and well groomed today and delivered his material forcefully, I am sorry to say that the effect has been to indicate quite definitely that that is not the most important attribute in influencing the attitudes of students.

I shall not speak about details which have been raised many times in the House and which naturally concern honorable members. The need for adequate school buildings, adequate staffing and those problems which are with us continually and which are not easy to solve because of the population demands of recent years, the changing trends in population and change in needs have been fairly well covered.

I do not believe there is agreement. I am quite certain there is great disagreement between honorable members on what the fundamental objectives of education should be. Some Government supporters would claim that because certain individuals whom they regard as self-made people have achieved privilege and power in our society, that is an indication that the system has been good. Some would claim that because there is now a new Minister of Education who came up through the wharves to the position he now occupies, that that is a sign that the education system is capable of producing effective results. I am referring only to the material which was published in the election pamphlet of the Leader of the House. I indicate quite clearly that I do not share the common disrespect that some people have for wharfies. Perhaps the Minister of Education has let down the former occupation which he held, perhaps temporarily. Why the honorable gentleman ceased to continue with that occupation, I do not know, but I shall not delve into it.

The main point of discussion is the purpose of education. In the past, education has been seen by many—and it is obviously seen by Mr Hamilton and other members of the Government party in this light—as being designed to qualify individuals to become tools of the industrial and commercial system, a system they believe should be controlled only by a select few. It is also their objective to maintain a privileged school system to concentrate on providing education for potential professionals and managers who will then be in a position to dominate and control the products of the State school system.

It is tragic that the policies of the State school system have, over the years, been governed almost exclusively by people who have themselves been the products of what is now called the independent school system and who send their children to schools within

that system. In public they extol the virtues of trade education, and at the same time ensure that their children obtain educations that will qualify them for the professional occupations and the other positions that are synonymous with power and the control of the rest of society.

Mr Landeryou spoke broadly and in great detail about many aspects of education. I point out that although it is important to train people for the particular jobs that are available today and will be available in the future, that aspect of education has been over-emphasized. None of us has the capacity to predict the qualifications or skills that will be necessary in the future. Society and technology are changing rapidly and the education system should concentrate on equipping individuals with a broad general knowledge so they have the basic capacity to retrain themselves later in their lives. It is likely that many people will have to engage in retraining if they are to be able to take up the occupations that will offer employment in industry and commerce in the future.

The Hon. V. T. Hauser—Are you a reading, writing and arithmetic man?

The Hon. D. E. KENT—It is important that the basic skills of literacy and numeracy should be available to everybody, but many people have believed them to be the only essentials because they will allow individuals to understand the orders handed down to them. That is not the purpose for which I believe they should be emphasized. They should be emphasized so that everyone can have the basics that will allow them to undertake further education later in life.

Although the education system has concentrated on basic education so that the tools of industry and commerce can be made available, in Australia there have not been enough trained people to meet even the present reduced demands of industry. It has not been popular to train apprentices in the various trades in sufficient numbers. Perhaps with the new attitudes now being developed in connection with technical and further education, it may be possible that people who have been denied these opportunities up to now will be granted them in the future.

I return to what I believe should be the fundamental objective of any education system—to teach people to think and to question. I am aware that Mr Hamilton and other members of the Government party would find that objectionable. They have clearly indicated that they believe the purpose of education is to enforce discipline so that students accept what they are told by authority and do not question, but follow obediently, their supposed elders, masters and superiors.

That attitude reflects the basic difference in the philosophies of the parties. It is that attitude that has brought about the present situation. There has been a lot of discussion about the activities of teachers, who are usually referred to slightingly by Government supporters, although the Government employs them. Members of the Government party are particularly derogatory when referring to teachers who are sufficiently concerned about education to endeavour to involve the public in examining the problems faced by the system.

The vast majority of teachers are dedicated, hard-working people who certainly spend many more hours on their tasks than the hours they spend in front of their classes. The assumption that the only time a teacher is working is when he is in front of a class is old-fashioned. I hope honorable members are aware that in many professions the same situation applies. I could even suggest that some honorable members on the Government side of the House are working when they are not present or speaking in the House and it may even be that some barristers work for longer hours than those during which they are appearing in court—that is if they can obtain briefs.

The anti-teacher attitude has been cultivated and, unfortunately, it has been cultivated to a large extent amongst parents, probably for political reasons—every member of Parliament has more parents among his constituents than teachers. There is a tendency to assume

that all parents have the highest educational aspirations for their children, the highest motivations and the greatest concern for the quality of the education their children receive. I admit there have been defects in the products of the State education system as a result of Government policy, but frequently the problems have arisen because of the emphasis parents have placed on the role they perceive education to be playing.

One indication of that is the attitude that usually predominates, particularly among the vocal parents—although I admit they may be in the minority—whenever there is an industrial dispute between teachers and the Education Department. There is a great outcry because the students are supposedly being deprived of a day or half a day of school work. If the parents were genuinely concerned they would be more interested in the quality of the education being provided during the rest of the time, when the teachers are fully engaged in teaching tasks. No similar outcry is heard when there is to be a school excursion or a holiday is provided for children by the Government for its own purposes. However, if a day or half a day of school is lost as a result of the teachers, through their unions, endeavouring to acquaint the public with the problems faced by education, the teachers are seen as depriving the children of educational opportunities.

Over recent years there have been many changes in attitudes to education. Those changes have occurred since the second world war and they accelerated during the 1960s when a generation of parents, who themselves had largely been denied the opportunity of education, rightly believed education to be vital. Many of them had great aspirations for their children and believed the most desirable objective was a university education. There was a great demand for opportunity for university education and a great expansion took place in that field.

That was a commendable attitude and I shared it. I was particularly interested in having that sort of opportunity made available for my children because I believed universities were places where there was a thorough questioning of society and an encouragement to become involved in all the political and social issues. It was the hope of perhaps a minority of parents that that would be the situation in universities. Unfortunately, during the 1960s, when there was a tremendous amount of publicity about the activities of so-called radical students who attended universities such as Monash, this was not so. Only a small minority of students were engaged in actively questioning the values of society at large.

Unfortunately, the majority of university students attended universities to further the aspirations of their parents, which were to have them qualified for the professional and powerful positions. Quite a lot of disillusionment followed because the qualifications they obtained did not enable the students to obtain the positions for which they were trained and which they believed they had a right to obtain.

It is important that society should change its attitude towards education. It should be seen as the right of every person, no matter what his or her background, parentage or economic situation. It should not be seen as a means of entitling the person who has a good education to a position of privilege. There is nothing wrong with a person achieving high academic qualifications and then performing the tasks that have been referred to today as unpleasant. If the people who make decisions in Government had a wider vision some of those unpleasant tasks would be eliminated.

There should be a policy of sewerage extensions which would eliminate what is called the "nightman". I see no reason why a person with high qualifications should not engage in such essential tasks.

Tremendous steps were made following the advent of the Federal Labor Government on the problems of disadvantaged children and disadvantaged schools. I have here an overview of the Disadvantaged Schools Programme in Victoria. It is a discussion paper by Kieran M. Batt in 1978, and it says something about the philosophy of the disadvantaged schools programme. It

states that it was structured around three basic schemes. The first is equality of educational opportunity, which places emphasis on more equal outcomes from schooling with particular emphasis on social group disparities. In other words, the Schools Commission asserts that all children deserve the opportunity to achieve through schooling the skills and competencies that will allow them to make choices about their occupational careers and their own lives. This assertion is based on the knowledge that there are no intellectual differences between any social or racial group, but some children, because of social or economic circumstances, are denied the opportunity to meet their full potential.

That is a very important principle, but unfortunately the Victorian Government is embarrassed by the fact that there are disadvantaged individuals and disadvantaged areas. The Government would like to hide that by merely referring to disadvantaged schools. Anyone knows from experience that there are tremendous differences in opportunities given to human beings from birth. By the time a child goes to school, this is identifiable not necessarily by geographical areas but by privileges. The educational programme implies that everyone who comes into the system comes in on an equal basis. That is not the reality of the situation. It is essential that better equipment, better physical resources, and more teaching facilities be provided for those children who have disadvantages arising from what can be most accurately described as their home background.

The Hon. J. V. C. Guest—What proportion of children would you say in that category have insufficient opportunity to deal with our society?

The Hon. D. E. KENT—Mr Guest would be aware that throughout society there are vast differences in the opportunities available to children in their homes. First of all, some children have an advantage in having parents who are interested, parents with material means, and parents who encourage them from an early age.

The Hon. J. V. C. Guest—I want to know if it is 10 per cent, 25 per cent or 40 per cent.

The Hon. D. E. KENT—It is impossible to divide these things into figures. In any situation there will not be a standard of equality. As standards rise, there will be a percentage of people deprived, and it is impossible to say that there are 10 per cent, 15 per cent, 20 per cent, 50 per cent disadvantaged. It happens in every area, and anyone in the community is aware of it. I concede that it is not easy to remedy. It requires a great deal of personal attention and personalized teaching, and to make that possible, material facilities and teachers have to be made available to meet these needs.

It is vital that there should be an acceptance of these differences and that we accept that every child should have the right to education to the limit of his capacity. The Government must also accept that it has an obligation to provide the necessary resources.

The education system has been geared to provide people with the basic skills necessary for the jobs that are available. There has been a changed economic emphasis on priorities since the return of the Fraser Government to Canberra, and there has been a great change in education attitudes. A powerful campaign was generated by Governments and commercial interests to de-emphasize the value and importance of what one could call "mass education." This idea has been instilled into the general public and into students. The education system has been directed at educating a sufficient number of people to fill projected job vacancies. That is a negative attitude, but to a large extent it has been endorsed by the public. It is important that that attitude is changed.

The Victorian Government commissioned the Partridge committee, which reported to the former Minister of Education, Mr Thompson, on 24 February 1978. It recommended a restructuring of the tertiary education system in Victoria. Like all committees, it knew why it was appointed, and that was to rationalize the belief that had

been compounded that there were an excessive number of tertiary institutions in Victoria. It may be true that there was some need for a review and an integration of these facilities, and that they should not compete for development and preservation. That report has been acted on in some ways. The Government, in order to save a commitment of additional funds to a programme, delayed its decision pending the report of the Williams committee on education, training and employment. This committee was set up by the Australian Government and it published its report in February 1979. These reports have tended to delay a constructive approach to tertiary education over the past few years and have prevented the rationalization and development of courses, which are not necessary and which were planned in several institutions.

The Williams report was commissioned to place a great deal of emphasis on education and its relationship to employment. Naturally it is biased in that it sees education as being primarily aimed at training people for job opportunities in the future. It does have some interesting things to say, and I quote from page 53 of the report:

> S. 125 Technical change which saves labour in existing activities and creates a demand for it in new fields calls for training in new skills and the retraining of displaced workers. Educational institutions at all levels must be sufficiently flexible to deal with these demands. Opportunities for technical change will come to a country from centres abroad and from domestic research. Australia has problems peculiar to itself and in certain fields of science and technology can make an important contribution.

Later on, the report made some recommendations about attitudes towards the education of females. There has been a tendency in society for females to have separate roles and separate directions, and it is only now that greater pressure has been put on the establishment of co-educational technical schools. There is still a general assumption that there should be a different direction even within technical schools on the subjects that boys and girls take. It is time that this attitude was eliminated and society accepted that there should be similar roles, similar occupations, and similar educational opportunities available to both sexes.

The Williams committee recommended that more girls be encouraged to continue their studies of mathematics and science as a means of extending the range of possible careers. It also recommended that:

> Governments include females in their selection of apprentices in Government factories, encourage females in the public service to undertake post-secondary courses in areas that have been traditionally the preserve of males and to move into responsible positions in these areas, and also give greater attention to the design of a range of conditions of employment—including job-sharing, tandem work, continuing part-time employment and interrupted employment arrangements—that are suited to the varying circumstances of females in the labour force.

That report went on to examine other areas of education for the handicapped and migrants, who do not naturally have equal opportunities and who thus need special educational consideration.

I have not dealt with school buildings and toilets, but I thank Mr Dunn for the opportunity of speaking on the motion which provides an opportunity for individual members to make a referral of their views to the Minister.

On the motion of the Hon. RALPH HOWARD (Templestowe Province), the debate was adjourned.

It was ordered that the debate be adjourned until the next day of meeting.

PUBLIC SERVICE (AMENDMENT) BILL

This Bill was received from the Assembly and, on the motion of the Hon. HADDON STOREY (Attorney-General), was read a first time.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF BALLARAT (GUARANTEE) BILL

The Hon. HADDON STOREY (Attorney-General)—I move:

> That this Bill be now read a second time.

The purpose of this Bill is to empower the Treasurer to provide a Government guarantee in respect of a loan of $500 000 to be borrowed by the Young Men's Christian Association of Ballarat.

The association has embarked on a programme of expansion of its sporting and recreational facilities, and the provision of a Government guarantee will enable it to borrow money on more satisfactory terms than would otherwise be available. For its part, the association will be mortgaging its Ballarat properties to the lender, to provide a prime security which will then be supported by the Government guarantee.

The Government has foreshadowed the introduction of legislation which will enable guarantees to be given in respect of moneys borrowed to provide recreational and sporting facilities throughout the State. A working party of officers is now examining the best method of implementing that proposal, which should be ready for introduction in the next session.

In the meantime, this Bill will enable the Young Men's Christian Association to proceed with its proposal to provide facilities for its members in Ballarat. I commend the Bill to the House.

On the motion of the Hon. R. J. EDDY (Thomastown Province), the debate was adjourned.

It was ordered that the debate be adjourned until later this day.

STATE FORESTS WORKS AND SERVICES BILL

The debate (adjourned from November 27) on the motion of the Hon. F. J. Granter (Minister of Forests) for the second reading of this Bill was resumed.

The Hon. D. E. KENT (Chelsea Province)—Regretfully, I reprimand the Minister of Forests for not tabling the annual report of the Forests Commission. That report should have been tabled before the end of October according to section 35 (2) of the Forests Act 1985, which states, *inter alia*:

> . . . such annual reports, statements and estimates should be laid before both Houses of Parliament in the month of October of each year if Parliament is then sitting and if Parliament is not then sitting within fourteen days after the next meeting of Parliament.

Regretfully, I must ask the Minister to seriously consider the Government's position. It is a matter which Dr Foley has repeatedly raised in the House. The Government has had ample notice that there is disquiet amongst honorable members because of the Government's failure to lay reports on the table. Because honorable members do not have the important information contained in the annual report of the Forests Commission, they are deprived of the opportunity of debating the Bill as fully as possible.

I have given that warning in good faith and I trust that in the future the Minister, if he has the opportunity of presenting another report, will ensure that he rectifies the error of his ways.

There is some confusion concerning the actual amounts of money that are to be appropriated under the Bill. It is difficult for most honorable members to accurately assess the proposed amounts because in the Appropriation Bill the sums are slightly different from those set out in the State Forests Works and Services Bill.

The total funds available to the Forests Commission this year will be $32·2 million, of which $12·1 million will be provided from the current account and $11·6 million from the Works and Services Account. Those figures accord with the Treasurer's speech, but there is a variation in the figures set out in the Bill. There is a reduction in the estimated expenditure. When one allows for the rampant inflation generated by the Federal Government's policies, one realizes that the reduction will have a much more serious effect upon the activities of the Forests Commission. It would be of advantage to those people reading *Hansard* if the Minister's second-reading speech contained more details. The information contained in the explanatory memorandum would assist those studying the activities of the Forests Commission.

Honorable members would acknowledge that fire prevention is a vital part of the Forests Commission's activities, because the commission's short or long-term projects can be lost or damaged if adequate fire-prevention work is not undertaken. The most effective means of safeguarding forests against

fire is by preventive means rather than in attempting to suppress an outbreak of fire which has already occurred.

The Government proposes that new equipment and improved communication services will be provided. Although it is hoped that these new facilities will be used, the Budget had a detrimental effect by retrenching employees of the Forests Commission several months ago. The Government retrenched people who should have been employed in fire-prevention work. That retrenchment has meant that a large amount of machinery that could be used for fire-prevention work is laying idle.

Next year there will be a reduction in the amount of money available for fire-prevention work. During the year ended 30 June 1979, $2 343 109 was spent. However, the proposed expenditure during the year ending 30 June 1980 is only $1 637 000, which represents a reduction of $706 000 or more than 30 per cent and, if one allows for an inflation rate of 10 per cent, the reduction is even worse.

The Labor Party is disadvantaged by not having received copies of the commission's annual report. If we had received the annual report, we would know precisely what works have been carried out and could therefore make a better assessment of what effect the reduced expenditure will have.

Some questions have been asked about the definition of indigenous State forests. The Minister's speech refers to the improvement of native forests and the unproductive blank and scrub areas. It is a matter of concern to some ecologists, that some areas which are not producing the maximum number of saw logs are seen as blank and unproductive within a forest area. There is an understandable tendency by everyone to understand the activities of the Forests Commission as being solely the provision of timber for the saw-milling and the paper manufacturing industry. That attitude has made it difficult for the public to accept some of the other important values.

It is typical of an economic rather than an ecological attitude that is taken when determining areas which are to be improved in an economic sense only, which means they will be developed for further milling timber. There are many other uses for all types of forests which must be considered.

I refer to the House of Representatives Standing Committee on Environment Conservation and its report on the operation of the Softwood Forestry Agreement Act 1967 and 1972. That report found that insufficient areas of Australia's native forests are being preserved or dedicated for use as national parks or for the protection of biological resources. The report stated that this was a matter of the utmost urgency.

Victorian Governments do not have a good record on the preservation of land under this section. Further areas of our native forests will be destroyed and the biological resources and genetic diversity will be lost through what is called "improvement" or clearing.

Under this measure the Government has allocated to the Forests Commission an amount of $70 000 for the biological research programme. There is concern on the lack of depth and diversity of the research programmes mentioned. Certainly any research into forest pathogens such as *Phytophthora cinnamomi* and *Armillaria* species is very welcome and must be aimed at arresting the widespread spread of pathogens. In answer to a question I placed on notice, question No. 128, the Minister stated:

> "(*b*) In Victoria, *Phytophthora cinnamomi* has the potential to cause changes in the diversity and abundance of susceptible species in the limited areas of highly sensitive forest ecosystems."
>
> The Eucalypt species most sensitive to the effects of and attack by *Phytophthora* are among the most sought after commercial species, including: *Eucalyptus obliqua* (messmate); *E. sieberii* (silvertop); and *E. regnans* (mountain ash). Failure to arrest *Phytophthora* is therefore not only ecologically disastrous in that it reduces biological and genetic diversity, it is also ecologically disastrous in that it attacks and destroys commercially desirable species.

The major research programme into this and other aspects is regarded by most people as a matter of urgency. I go

back to the findings expressed in the report of the House of Representatives Standing Committee which stated:

(vi) The greater mechanization of forestry activities has increasing consequences for the environment, especially where water quality is affected and where it enables the clear felling of larger areas of native forest.

(vii) Insufficient research is being conducted into the effects upon flora, fauna, soil and water of the clear felling of large tracts of native forest.

The standing committee also recommended:

(vii) Additional funds should be made available to the CSIRO and other relevant bodies for research into the many areas of forestry management about which so little is known.

It is clear that if these research programmes are to be conducted efficiently and effectively, the allocation of $70 000 under this Bill will need to be substantially increased.

The explanatory memorandum states that an amount of $69 600 has been provided for research on plantation establishment, protection and management. This programme includes research on improved seed sources and nursery techniques, the use of fertilizers and pesticides and the management of plantations on forested water catchments.

In relation to softwood plantations, the House of Representatives Standing Committee stated:

There are many side effects of softwood forestry upon the environment which require more attention and care than is currently being given.

The committee further stated that extensive research had been conducted into environmental hazards in relation to the establishment of plantations of large areas of exotic trees. Obviously there are many areas of research which are not covered by the funding made available in this Bill, and although that research is necessary, the areas raised in the report of the Standing Committee of the House of Representatives are essential areas which should receive consideration. They represent vast gaps in our knowledge of forests and the impact of forestry operations which must be filled by co-ordinated and comprehensive research.

This year it is proposed to establish 2650 hectares of new softwood plantings. It is stated that this is below the planned target of 3600 hectares considered necessary to meet current demands and commitments to industry and estimated future requirements.

The aspect of estimated future requirements is one which needs a deal of consideration because estimated future requirements depend upon a number of variables and priorities which at present need much scrutiny and consideration. At present the current attitudes which are adopted result from the pressures of particular interest groups, including commercial interests.

There is a need for an open and public inquiry into the demand and supply estimates which are provided. As I mentioned during the alpine study area debate, and as the Minister has agreed, much confusion exists concerning the estimates of future supplies.

One of the most confused and confusing estimates relates to the need for further pine plantations. On this point the House of Representatives Standing Committee, considering the operation of the Softwood Forestry Agreement Act, found:

There is a need for a softwood planting programme, possibly on a lesser scale than that planned at present.

Until that need is established and the estimates have been publicly debated, we must be very circumspect about the existing targets for softwood plantings.

Of the 2650 hectares to be planted with softwoods this year, approximately 20 per cent of the area, or about 670 hectares, will be on purchased land. The remainder will be planted on forest land cleared for that purpose. In the past, according to information from the Forests Commission, about 40 per cent of softwood plantings has been on lands purchased for plantation purposes.

Therefore, there has been a decrease in the over-all area of softwood planting but the proportion of purchased land to be planted has also decreased which means the amount of native forest cleared for planting is only marginally decreased despite the reduction in the total area planted.

One of the recommendations of the House of Representatives Standing Committee was:

> Plans for the plantation of exotic softwoods should be made available for public scrutiny. Full consultation and discussion should be held with interested parties before they are implemented.

The committee was concerned over the need for greater public participation in deciding the use to which public land is to be put. It was most critical where native forests are to be cleared for pine plantations. Very little commitment to the principle of multiple use can be demonstrated in a pine plantation for in the view of many people it is an ecological and recreational desert, a single use area with little or no genetic diversity.

The Labor Party has continually advocated the need to develop marginal farmland for plantation purposes. Farmland is very appropriate for such a use as a plantation is a crop, the same as any other monoculture is a crop.

I refer once again to the report of the House of Representatives Standing Committee and one of its findings was:

> Insufficient use is being made of marginal farmland in the softwood planting programme.

The Labor Party fully supports that sentiment. Rather than decimate our ever diminishing native forests, we should be providing more incentives for farm forestry and more funds for the purchase by the Forests Commission of marginal farmlands.

As honorable members have seen, the Bill provides for a decrease in the use of purchased land for pine plantation. Whereas in the past it has been about 40 per cent of the planted area that has represented purchased land, this year only 27 per cent of the total plantation area will be purchased land.

In referring to farm forestry, an amount of $235 000 was expended for the year ended 30 June 1979 to assist land owners in establishing commercial plantations. But in the year covered by this measure, only $180 000 is allocated for the same purpose. This is a significant reduction because it is an area which should be strongly emphasized, the developing farm forestry programme. We need to publicize the tremendous value which can be derived in many aspects, not only in the production of timber in the foreseeable future —timber production is essential—but also in tree planting in general which plays an important part in the balance of nature. Tree planting can also have an effect on the salinity problem.

Farm forestry will become an increasingly important adjunct to existing forestry procedures. There has also been a change in social attitudes which places a greater emphasis on the use of forests. It will not be acceptable in the future for us to see native forests decimated as those forests will be seen as a necessary requirement, both in regards to the production of timber and for recreational purposes.

I refer to an article which appeared in the March 1978 issue of *Victoria's Resources*. The article, which was written by Nanette Oates stated:

> In regard to forests, this emphasis is expressed in the demand for the protection of native flora and fauna, the reservation of forested wilderness areas and improved facilities for recreation.

In the article, Nanette Oates lists five significant and important advantages of farm forestry. They are, firstly, an increase in timber production. Secondly, by producing saw logs in a shorter space of time, the planning horizons in native forests can be extended and be made more responsive to society's changing needs.

Thirdly, if plantations are established on private land, the high costs of land purchase specifically for plantations incurred by the forestry services can be avoided.

Fourthly, intensive management practices designed to increase productivity, such as growing exotic monocultures, fertilizing and weed and scrub control, are more acceptable on alienated farming land than in native forests.

Fifthly, farm plantations could have the additional benefit of returning unproductive land such as steep slopes and weed infested areas to a more productive use, such as timber production, catchment protection, soil conservation, and shade and shelter.

As I have suggested, instead of increasing the level of assistance to land owners and gaining these five benefits, and others, the Government has reduced the amount allocated for farm forestry.

In many respects the Bill is disappointing to the Labor Party. It is only a token acceptance of the opportunities which industries provide for employment, not only in the short term but in the long term. To a large extent the Bill probably ignores the impact of forestry operations on the native forests and does not deal positively or offer any alternatives. There is a great opportunity to provide employment immediately and for the future. I understand the nature of the forest industry in the political sense. The seeds sown today are reaped in the future. There is little political value for the next election or the foreseeable long-term. It requires a Government which has a view of the future and a commitment to provide for the future of the society. In that respect it is an issue which needs an educative programme. It requires a Minister who is determined enough to put tremendous pressure on his fellow members of Cabinet who are in a much more advantageous position in being able to offer immediately pecuniary opportunities to the electorate.

I regret that I must close this debate without quoting some wise words which I had intended to quote from a noted forester, Dr Richardson Baker. He is active at the age of 90 plus which gives honorable members some hope for the future. It indicates that, contrary to what I have been told at times and an old theory that one does not sit in the shade of a tree one plants, it is possible to do so and it is even possible to chop that tree down and sit in the shade of another tree. Much thoughtful material is available to indicate to those who are prepared to study the matter the vital importance of the forestry industry. It has a role of providing timber for industry or the recreation of the community. Its many and varied aspects are of vital concern to the survival of our natural system.

The Hon. D. M. EVANS (North Eastern Province)—Unlike Mr Kent, during this debate I do not intend to censure the Minister but rather to support him by moving an amendment to the Bill which I hope will indicate that the Minister and the Forests Commission have not been given the necessary recognition and resources by the Treasurer and the Government of Victoria. Obviously, the Forests Commission allocation has again been reduced this year. There has been a 12 per cent reduction in the amount provided in the Bill before the House as compared with the amount provided last year. After an allowance for inflation the reduction is nearer to 20 per cent. Yet, at present, the income derived from the Forests Commission, as expressed on page 5 of the Estimates of Receipts and Payments from the Consolidated Fund for the year ending 30 June 1980, presented by the Treasurer on 26 September, is up about 18 per cent, from $15 959 688 to an estimated $17·710 million in the current year. Of that amount an estimated income of $16·6 million is expected to be yielded by royalties to the Forests Commission. These facts indicate clearly the beginnings of justification for the reasoned amendment which I now move. I move:

> That all the words after "That" be omitted with the view of inserting in place thereof "this Bill be withdrawn and re-drafted to provide an adequate allocation of funds to properly carry out the responsibilities of the Minister of Forests and the Forests Commission to the State of Victoria".

If one further examines the figures in the Budget documents and in the Bill before the House it becomes clear that the income derived from forests products exceeds the estimated expenditure by $6·9 million; that is around 60 per cent. The commission is therefore a fairly productive and profitable organization. One would wonder why the income gained does not go back into preserving the natural resources which are the responsibility of the Minister and the Forests Commission, which will be to the eventual benefit of the State and which must be maintained, and, if possible improved.

I suggest that perhaps the reason for that and the reason why the Minister has not been given the necessary allocations by Cabinet and the Government is that forestry does not have the

emotional appeal of many of the other priorities that have calls on the admittedly limited funds of the State Government. Yet the community needs the products of the forests for timber for the building industry, for homes, schools and hospitals—all the emotional things that are talked about. Paper is needed on which to tell the story of those emotional things and to get the message across, although perhaps it is sometimes put across too well.

When one peruses some of the statistics provided by the various industries in Victoria, one finds how well the forests of Victoria, under the management of the Minister and the Forests Commission, are discharging their responsibilities to the State. I have quoted this and some other statistics previously. Others I have not quoted. The Victorian Sawmillers Association submission to the Land Conservation Council indicated that in 1976–77, less than 30 per cent of the seasoning timber requirements of the State of Victoria came from Victorian forests; around 42 per cent of those requirements came from Tasmania; and 30 per cent or thereabouts were imported from overseas countries, mainly from South-East Asia, the Philippines, Malaysia and particularly Indonesia.

Figures from the Department of Primary Industry indicate that total imports of all types of timber into Victoria in the last year were 209 699 cubic metres. For the whole of Australia the same source indicates that in 1976 the total imports of various products including paper and cork were $422·673 million; in 1977 they were $605·434 million and in 1978, they were $578·639 million. Preliminary figures for the first quarter of the year indicate a similar level in 1979 to that in 1978. Around 45 per cent of the value of those products, particularly in the latter two years, 1977–78, was taken up with paper products. In 1976 the figure was around 40 per cent.

A substantial export income was required to finance that amount of imports. It was about half of the total income from the buoyant meat exports and about half or a little less of the total wool income. I suggest it was about one-third of the total income from wheat exports. Australia has 14 million people in a large continent, which is admittedly dry. Surely as far as possible Australia should use its own resources, particularly the products of the soil. It cannot depend forever on overseas sources.

Firstly, the areas from which Australia imports many of its timber products are politically unstable. From time to time Australia is concerned about events in South-East Asia, and if the balloon goes up, maybe the products will not be available to us. Political decisions can cut off exports and imports more quickly than anything else, including economic reasons. Secondly, forest management in many developing countries is not of the same standard that we expect and receive from Australian forest managers. I suspect that the resources are being taken out of those countries more quickly than they are being replaced. Those resources are diminishing and the supply is definitely finite.

The figures that I have from the Forest Products Industry Advisory Council indicate that about 33 per cent of our timber needs are imported. That does not include sawmill wastes which are used or recycled waste paper. I have not a trace back as to the original source of this material. The stage has passed of just allowing things to happen. We expect our plantations to be managed well and the resources won on a sensible basis so that the amount of product available is not reduced. We try to ensure that forests are replaced and harvested to protect the needs of future generations.

The corollary of this is that forests must be managed and resown. From time to time areas which are not fully productive must be thinned. There is a substantial case for including some of the unharvested forestry areas in the regeneration process so that they become more productive for future generations. We have many opportunities and, I suggest, responsibility, to ensure that our forests are managed in such a way that they can continue to provide the current level of percentage of our

total needs and begin to take up the currently filled slack caused by the importing of timber, to which I have already referred, not only because of the need to maintain those resources for our own benefit but because of the substantial amount of foreign exchange needed to finance imports.

Yet the allocation provided in the Bill for the management of indigenous State forests and so forth in Victoria has been reduced from $2·665 million to $2·586 million, a small reduction in money terms but when one takes into account inflation, and one must, it is about a 9 per cent reduction in real terms.

The Bill contains a further allocation for softwood plantations which 20 or 30 years ago were the ugly duckling of the industry. They were regarded as rather low grade timber products and perhaps the source of low-grade paper products. However, I submit that increasing importance is being placed on softwood plantations. There is an increasing degree of expertise in their use and a wider range of products is being developed. Timber products are becoming a major and important resource for the community.

It is also worth noting that the timber industry is an extremely energy efficient industry. For example, figures given in a booklet entitled *Wood is the Best Energy Saver* indicate that the cost of bricks includes 67 per cent for energy, for cement 41 per cent, glass and glass products 25 per cent, iron and steel products in their basic form 8·5 per cent, ready-mix concrete 6·6 per cent—who wants to live in a concrete jungle?—plaster products 6·2 per cent and timber, plywood and joinery as low as 3·5 per cent.

There is a good deal of sense, from an energy point of view, in maintaining the increasing use of timber products, but we cannot use them unless they are available. Yet the Bill reduces expenditure in that area which will increase the amount of the various products available. In the important softwood area, to which I referred a moment ago, the amount allocated in the Bill has dropped from $4·99 million to $4·66 million —around 10 per cent in real terms.

The rather effusive document attached to the front of the Bill entitled "Explanatory Memorandum" must have been written by an advertising agency because it is very enthusiastic, is rather misleading in the way it refers to what is being done and it is not borne out by the facts. It tends to indicate that the Commonwealth Government has reduced the amount of finance available. That may be so, but I point out that some $6·9 million of the money received from the various operations—round 60 per cent—is not allocated and can, therefore, have been expected to go to some other responsible authority of the State Government.

I have dwelt on the timber side of the Forests Commission because it is important from a community viewpoint. However, the Forests Commission is more than managers of logging sites, and so it should be. It has additional responsibility and substantial additional expertise which is of value and benefit to the community. For example, I understand that the Forests Commission is responsible for fire controls in one-third of Victoria.

The Hon. B. P. Dunn—The commission has the responsibility for it but I do not know whether it can adequately cope.

The Hon. D. M. EVANS—There is liaison between the Forests Commission and the fire-fighting services—the Country Fire Authority permanent and paid experts and the 100 000 volunteers of the Country Fire Authority voluntary service. Victoria is one of the most fire prone areas in the world, others being in the California area around Los Angeles and San Francisco. Fire control is necessary. From time to time we have witnessed what uncontrolled and violent nature can do, not only in grasslands and forest lands, but elsewhere.

Not to control that area and have an authority with the necessary expertise and resources is not compatible with the safety of the forests and the wildlife that inhabits the forests or of the needs of the community and the needs of

timber for products, recreation, preservation and the conservation of our heritage. Man has already interfered with the régime that governed him for 20 000 or 30 000 years. I am not being sarcastic when I point out that the first thing we did was to remove the Aborigines.

The Aborigines had come to terms with the natural ecology and burned areas of grassland and forest, thus reducing the amount of combustible fuel that was there. Maybe they did this without intending to create this effect, or maybe they did this selective burning with an understanding of the needs of the country. This had the beneficial effect of reducing the possible effects of the type of wild fires that occurred in Victoria in 1871, in 1939 and in many other years. I mentioned two of the most dreadful fires. Perhaps there will be fires next year—one does not know, but I hope not. The possibility of fire is always present.

The Forests Commission has a substantial responsibility for fire control. It is responsible for the control of fires in one-third of Victoria and is responsible in areas in which it is not the controlling management authority and where from time to time it can be hampered by the policies of other management authorities. The Forests Commission must be able to decide what its duties are to get the proper control of fire, tree planting and fire prevention when the policies of other authorities impinge on the ability of the commission to carry out its responsibilities.

Despite the guidelines and the continued emphasis that the Forests Commission has for this responsibility, as Mr Kent pointed out, the amount of money available for fire control has fallen from $2·34 million, according to the Bill, to $1·63 million, which represents a 30 per cent reduction. I will give honorable members a clear example of what this can mean in a small area. I refer to the Barmah State forest near Nathalia which is the largest redgum area in the world. It is a magnificent area but I am told that none of the roads will be maintained or graded despite the fact that floods through the forest have eroded the roads and it is almost impossible to get to some parts of the forest. Tourists who want to take advantage of the magnificence of the forest or firefighters who may want to control a fire burning in the Barmah forest will not be able to do so. Last year a serious fire broke out in the Barmah State forest. This was a matter of concern to the landowners who were affected by the fire and embarrassment to the State Government and yet expenditure estimated for the Forests Commission for fire protection is down by 30 per cent.

I said that the Forests Commission is more than a manager of logging areas and timber. Indeed, it has a substantial responsibility which it has discharged very well for a long time in managing and maintaining public recreation areas. It has been given a substantial additional responsibility by the Land Conservation Council recommendation, particularly in alpine areas. Those areas were debated three or four weeks ago. The commission has those responsibilities because it has the authority, the expertise, the management skill and the organization to handle them sensibly and reasonably.

I wish to put before the House some suggestions, which may be adopted but which I hope will result in further discussion. I do not suggest that they should be immediately acted upon but they should be considered. Honorable members must consider the proliferation of management authorities that has taken place in Victoria up to date. The role of the Forests Commission could be expanded to take in a share of the responsibility currently held by other authorities, particularly the responsibilities of the National Parks Service. If that were done it would be sensible to change the name of the authority perhaps to the Natural Resources Department in order to indicate the additional role and spread of responsibility.

Such an idea may seem too idealistic or sophisticated to many people. Certainly, it could be viewed like that by the suspicious radicals on either side, whether they are conservationists or people who are using the resources in the areas managed by the Forests Commission and the National Parks Service.

If sensibly examined, such a suggestion could have considerable merit. It would tend to avoid demarcation disputes about responsibilities for various management techniques, including fire excess, public management and winning of timber or other natural resources. It would lead to a lessening of the desire by departments to bring under their control areas of land as a management process and the empire building that can be part of that process.

Such an authority would need a balance in expertise to embrace forestry, perhaps public recreation in the middle —these are broad terms—reference areas, wilderness areas and so on. I believe it is reasonable to have that broad spread of language types set aside in public land. By reducing demarcation disputes and by having control and the ability to manage a wide range of responsibilities in a large area, such an authority could allow a slowly changing land use on what I term a rotational basis which could embrace reference and wilderness areas on a continuing basis, while recreation and forest areas may well change. For example, where timber is felled and young trees planted in the alpine areas, the rotation time is 80, 90 or 120 years. A period of 80 years is two lifetimes. An area harvested for timber will not be ready for clear felling again until my grandson and yours, Mr President, have long white beards down to their ankles.

That is why I suggest that such a management procedure would be sensible. The authority would also need to take on additional responsibilities, such as that of the control of noxious weeds and of public access; it would certainly need to maintain its control of fires and of fire prevention processes, such as strategic burning off where necessary—all the things that the Aborigines have been doing for thousands of years and which need to be done in a more controlled fashion, keeping conservation in mind.

I have moved a reasoned amendment to the Bill and have tried to indicate that in its Budget considerations the Government has not given the Minister of Forests sufficient resources to carry out these reasonable and sensible responsibilities which the community of Victoria needs and must demand, nor has it given the Forests Commission the necessary resources to carry out the responsibilities to the State of Victoria properly. Therefore, I strongly suggest that this Bill should be sent back and not read again until such time as those resources are provided to the Minister by the Government.

To those who ask where the money will come from, I again point out that the income from the Forests Commission in Victoria is some 60 per cent greater than the amount allocated for expenditure on the necessary works and services in this Bill.

The Hon. R. A. MACKENZIE (Geelong Province)—I also chide the Minister of Forests and the Forests Commission on the fact that the annual report of the commission is not available, and it is important for an Opposition to have the information that is contained in the report. The report is supposed to be prepared in October so the Opposition will have a chance of studying the various aspects.

When I went to the Library to obtain information I had to rely on information from the 1977–78 report, which is a little out of date, so I emphasize to the Minister that it is important for the Opposition to have that information available.

The first item dealt with in the Bill is fire protection, which brings up a matter that was raised during the debate on national parks. The first paragraph dealing with fire protection in the explanatory memorandum states:

> The Forests Commission is responsible for prevention and suppression of fires in State Forests, National Parks and Protected Public Land, and its authority in respect of fire prevention extends to much of the land within 1·5 km of the boundaries of these areas.

It is important for the Minister and the Forests Commission to advertise this fact very strongly, especially in the areas we discussed during the debate on alpine study areas, because there is a great deal of misunderstanding about the role of the Forests Commission in that area. Many people believe that when

an area becomes a national park, the Forests Commission will no longer have an interest in it. It is important for the Forests Commission to ensure that people are told what their responsibilities are, and that the commission will certainly be looking after those areas even when the National Parks Service is in charge of them.

The Opposition is a little disappointed about certain areas of allocations and pleased about others. For example, the amount available for the acquisition of land has been increased from $269 000 to $363 000. The Opposition welcomes that increase because it is important for the Forests Commission to acquire private land. A lot of good forest area, which is important not only for timber production but also from the point of of view of conservation, is owned privately. A great deal of land that is not viable for farming but could be used for pine plantations also comes into this category, and it is pleasing that the amount allocated for this purpose has been increased. The Opposition supports the increase and will recommend a larger increase.

It is about time the Forests Commission reappraised its philosophy, because when one reads its 1977–78 annual report or other publications, one sees that the main priority seems to be simply the protection of the timber industry and the production of timber. I do not deny that the commission takes other roles and does a good job in many areas, but that seems to be its prime objective.

I should like to think that the primary philosophy of the Forests Commission is the protection of forests as they are. One hears talk about unproductive scrub as though it were nothing, but although scrub land may be unproductive for the timber industry, it may have a high value because of its wildlife habitat. The Forests Commission should be considering this matter on a broad spectrum. It has been placed in a position of responsibility, and must ensure that the forests are utilized to the utmost and protected for future generations. That is a heavy responsibility, and too much emphasis has been placed on the production of timber.

There is a significant need for research to be conducted, and it is disappointing that no moneys are allocated in the Bill for use in the research field. The 1977–78 annual report of the Forests Commission shows that the commission carried out biological surveys. One criticism I have levelled at the commission previously is that it has not done enough in the field of research into areas where it intends to log, but in many cases it has gone into those areas not knowing what flora and fauna are found there. I hope in the future much more money will be spent and more officers employed to ensure that no area of the forest is ever felled or turned to timber production without the Forests Commission being fully aware of what it contains. That is one reason why the Labor Party will support the amendment moved by the National Party; it believes that the Bill should be sent back and an allocation should be made for more research.

The Opposition is also concerned that the Forests Commission should look into these matters, not only in Forests Commission areas but in other areas where private timber industries are engaged in clear felling of private lands for pine plantations. I refer to the indiscriminate use of 1080 poison on pine plantations. I saw some photographic slides at a meeting one night and the ridiculous situation was that one slide showed a Forests Commission reserve and was entitled "flora and fauna reserve", and another showed a sign which said, "Beware—1080 poison laid". That seems to be a complete contradiction. This is being done by some private companies, and the Forests Commission should keep a strict eye on these activities, because although the land may be privately owned, it adjoins land for which the Forests Commission is responsible.

The Hon. B. P. Dunn—How would you control rabbits in the Big Desert?

The Hon. R. A. MACKENZIE—I am not talking about the desert; I am talking about rain forests and areas of dense foliage where clear felling has taken place and the poison has been laid, supposedly to stop rabbits from eating the

tops of the newly planted pine trees, but it finishes up killing wallabies, bush rats and other native fauna.

These are some of the areas we would like the Government to examine. In this case the Opposition supports the proposed amendment moved by the National Party that the Bill be redrafted and sent back to be read a second time.

The House divided on the question that the words proposed by Mr Evans to be omitted stand part of the motion (the Hon. F. S. Grimwade in the chair).

Ayes	23
Noes	17
Majority against the amendment	6

AYES

Mrs Baylor	Mr Hunt
Mr Block	Mr Jenkins
Mr Bubb	Mr Knowles
Mr Campbell	Mr Lawson
Mr Chamberlain	Mr Long
Mr Crozier	Mr Radford
Mr Granter	Mr Saltmarsh
Mr Guest	Mr Storey
Mr Hamilton	Mr Ward
Mr Hauser	*Tellers:*
Mr Hayward	Mr Stacey
Dr Howard	Mr Taylor

NOES

Mr Baxter	Mr Sgro
Mr Butler	Mr Thomas
Mrs Coxsedge	Mr Walker
Mr Dunn	Mr Walton
Mr Eddy	Mr White
Mr Kennedy	Mr Wright
Mr Kent	*Tellers:*
Mr Landeryou	Mr Evans
Mr Mackenzie	Mr Trayling

The motion was agreed to.

The Bill was read a second time and committed.

Clause 1 was agreed to.

Clause 2 (Issue and application of money from Works and Services Account for forest works &c.)

The Hon. F. J. GRANTER (Minister of Forests)—I thank honorable members who participated for a most constructive debate. I ask Mr Kent and Mr Mackenzie, who chastised me for not having the report available, to use their good offices with the Government Printer and the printing union and have the report prepared, because the reason for its non-availability is the industrial trouble at the Government Printing Office. The Forests Commission has always prided itself on having its report available on time and its non-availability this year probably breaks a record which has stood for a number of years. I hope to be able to table the report in a few weeks.

In his jovial and interesting speech, Mr Kent asked that more detail be provided in the Minister's second-reading speech and less in the explanatory memorandum. Last year I was asked to have the process reversed, to have more in the memorandum and less in the Ministerial statement. Next year I shall try to even it up.

All speakers mentioned fire protection. All honorable members, especially those who live in country districts and who have experienced fires in their own districts and the forests surrounding their electorates, are aware that fire prevention is a serious matter, and the Government appreciates its seriousness.

The Hon. B. P. Dunn—Why has there been a cutback in the allocation?

The Hon. F. J. GRANTER—The amount is cut back this year. Last year, contained in the $2 343 109, there was $500 000 excess provided by the Government when there was a serious outbreak of fire. That fund is always available for fire protection if required. The previous year, the allocation for that contigency fund was well over $1 million. It was a year when there were bad fires in the north as a result of lightning strikes at Bright and other areas.

Both Mr Mackenzie and Mr Kent suggested that the Forests Commission is concerned more with providing saw logs for the sawmilling industry than with anything else. That is true up to a point because, combined with private forestry, the Forests Commission is the organization which provides timber for the State of Victoria. It is an essential commodity in home building and in building generally. It is also essential to have a good sawmilling industry for workers. The timber workers' union, together with the pulp and paper

workers' union, has come to me at times expressing concern about the need for a virile sawmilling industry, and I appreciate that concern.

I well remember when a gentleman named the Honorable Archie Todd sat in the corner opposite. He was the president of the timber workers' union for some years and he was a vigorous speaker on its behalf. I always appreciated his remarks. The Forests Commission considers many other values in respect to forests—recreation, tourism, water conservation, the preservation of resources, and the habitat of wildlife are considered.

In East Gippsland, two areas were logged on a trial basis by the Forests Commission in conjunction with the conservation groups and many other organizations in order that the Forests Commission could consider all values. Mr Mackenzie made special mention of the purchase of derelict farm areas for reforestation and the planting of pines and hardwoods, particularly pines. It is the policy of the Government and the commission to purchase part of these areas for replanting, and I believe that policy has been maintained.

Mr Kent mentioned the falling off in funds for farm forestry. Those funds are cut back to $180 000 this year, although there is a provision for $250 000 if funds become available or if there is a need for an increase. It is possible to obtain an increase from the Treasurer if there is an excess of applications. Unfortunately, there has been a falling off in applications during the past twelve months. Prior to that there was a backlog and a waiting list of applicants for farm forestry funds. I hope there will be a return to that situation because I am an advocate of the farm forestry system.

Mr Evans mentioned the Barmah forest and the problem in that area in respect to the grading of roads following winter floods.

The Hon. D. M. Evans—It is the first time in living memory that this situation has arisen.

The Hon. F. J. GRANTER—I can put the honorable member's mind at rest. There has been a special grant of $30 000 for road repairs and road grading in the Barmah forest which is the best redgum forest in the world.

Unfortunately, the Bill does not convey to honorable members the actual funding. This is an error which I will have rectified next year. The actual funding is made up in this way:

Royalties and rents approx.	$17·4m	
Forest products	$0·3m	
Other revenue	$0·01m	
	$17·71m	
Expenditure:		
Vote appropriation	$12·1m	
Works and services	$10·87m	
		$22·97m
Forestry Fund		$8·7m
		$31·67m

As honorable members will note from those figures, forestry is still in debt. However, as Mr Evans will realize, the State is agreeable and always has been agreeable to making funds available for forestry and other services. I have been a country man for a long time and appreciate the forests as much as anyone. I believe Victoria's forests are better today than they were 50 years ago. Some of the regrowth in forest areas today is magnificent. The forests are healthy and this generation should be proud of what it hands on to coming generations.

The clause was agreed to, as was the remaining clause.

The Bill was reported to the House without amendment, and passed through its remaining stages.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF BALLARAT (GUARANTEE) BILL

The debate (adjourned from earlier this day) on the motion of the Hon. Haddon Storey (Attorney-General) for the second reading of this Bill was resumed.

The Hon. R. J. EDDY (Thomastown Province)—The Bill authorizes the Treasurer to provide a Government guarantee for a loan of $500 000 to the Ballarat Young Men's Christian Association. Recently this organization celebrated its 100th year of operations.

Honorable members will be aware of the community work and services provided by the Young Men's Christian Association in Ballarat for the young people within that city.

One of its many activities includes assisting people who are deprived and disadvantaged, more particularly the numerous young unemployed people within the City of Ballarat. The buildings are situated in Camp Street, Ballarat, and during school holidays they are the headquarters for activity programmes which help to occupy the time of many young people in the area.

The facilities of the Young Men's Christian Association of Ballarat are used regularly by 51 schools within the City of Ballarat. No doubt the time of many young people is occupied with all sorts of activities. Many thousands of young people use the Young Men's Christian Association throughout the year. The work of the Young Men's Christian Association is carried out not only in Ballarat but also throughout the State. It is to be complimented on the way it provides programmes which assist young people to become better citizens, not only in Victoria but throughout the Commonwealth of Australia.

At present the Young Men's Christian Association is planning to update and expand these facilities to cope with the increasing demand for its services. It also intends to expand its sporting and recreational facilities. I congratulate the Young Men's Christian Association for its promotion of sporting facilities and its encouragement of young people over the years.

This plan encompasses a modern recreational complex which will cost $850 000. A public appeal was held in which $250 000 was raised. In addition, the Department of Youth, Sport and Recreation provided an interest-free loan of a further $250 000. This leaves a deficit of approximately $500 000. This amount will be obtained from the State Superannuation Board and requires a Government guarantee. I compliment the Government for guaranteeing the borrowing of that $500 000.

Honorable members will support this Bill wholeheartedly. I have much pleasure in supporting it because I know what the people of the Young Men's Christian Association are endeavouring to do for youth within the City of Ballarat. The Labor Party wholeheartedly supports the Bill.

The Hon. B. P. DUNN (North Western Province)—Members of the National Party commend the Young Men's Christian Association for its activities in the Ballarat area. We also support the proposals for expansion, and therefore, support the Bill which will further assist the Young Men's Christian Association in the development it has planned.

The motion was agreed to.

The Bill was read a second time, and passed through its remaining stages.

VICTORIAN DEVELOPMENT CORPORATION (POWERS) BILL

This Bill was received from the Assembly and, on the motion of the Hon. D. G. CROZIER (Minister for Local Government), was read a first time.

ADJOURNMENT

Melbourne and Metropolitan Board of Works lodges—Traffic lights at Braybrook—Question on notice—Liquor licence forms

The Hon. A. J. HUNT (Minister of Education)—I move:

That the Council, at its rising, adjourn until tomorrow, at a quarter to eleven o'clock.

The motion was agreed to.

The Hon. A. J. HUNT (Minister of Education)—I move:

That the House do now adjourn.

The Hon. J. V. C. GUEST (Monash Province)—I draw a matter to the attention of the Minister of Water Supply which I have mentioned before. It arises from ill-informed gossip about the charges made to visitors at various lodges of the Board of Works, where people go for inspections and for other purposes. I raise that matter with the Minister again because I believe he can now supply a definite answer.

The Hon. H. A. THOMAS (Melbourne West Province)—I direct my question to the Minister for Local Government who represents the Minister of Transport in this House. I remind the Minister of a matter I brought up last week which is question No. 240 on the Notice Paper and relates to traffic lights at the pedestrian crossing at the corner of Darnley Street and Ballarat Road, Braybrook. Recently the Minister said that I should direct my question through the Attorney-General to the Minister for Police and Emergency Services.

The Hon. D. G. Crozier—I said the question should be directed to the Minister of Transport.

The Hon. H. A. THOMAS—The question has been on the Notice Paper for six or eight weeks. It was promised that these lights would be installed by the end of June.

I took up another transport matter with the Minister some seven or eight months ago. He agreed to come out, as soon as he had time, with people from the Railway Department and other members of Parliament to inspect VicRail matters in Sunshine. I have a letter from the Minister of Transport which among other matters refers to the pedestrian underpass. The letter states:

> VicRail is also concerned that its efforts to keep the subway clean are being thwarted by some of the very people who use it. You will appreciate that the real answer to the problem lies with these people and a sense of civic pride within the community.

That is fair enough, but what about cleaning the subway first! If everyone had civic pride, police and Ministers might not be needed. I refer to a letter from Mr Balfour, Acting Minister of Transport, which states:

> It is an unfortunate fact that no electrical fitting can ever be made completely vandal proof and, in the case of a pedestrian subway, there is the additional problem of ensuring that the lighting level does not lose its effectiveness because of any anti-vandal measures that are taken. As no suitable commercially available lanterns exist which meet both these criteria—

They are only lanterns similar to the ones that were used 50 years ago—kerosene lamps. Something should be done with them. I will bring one in and show it to honorable members. They are dirty.

They have a wire screen over them and they need cleaning. The honorable gentleman said that he will see me in the New Year. I hope it is not the following one.

The Hon. D. M. EVANS (North Eastern Province)—I direct to the attention of the Minister representing the Minister of Transport question on notice No. 2, which I asked in May. It requests details of the funds raised by the Government from motorists and the motor transport industry and the expenditure of those funds on a percentage basis. The question has not yet been answered, although it was placed on the Notice Paper almost seven months ago.

A number of Bills to which the statistics could well have applied have been debated and a number of other such Bills are likely to be debated. I am concerned that a question on notice that appears to be simple to answer has not been answered in sufficient time to allow the use of the information it would provide during debates on important money Bills covering an important subject. I ask the Minister to attend to the matter. I am disappointed not to have received the information because the question was deliberately placed on the Notice Paper so that I would have the information when the Bills came before the House.

The Hon. G. A. SGRO (Melbourne North Province)—I direct a matter to the attention of the Attorney-General. During the past few weeks a number of people have come to my electorate office complaining of difficulties in filling in this form, which I will be happy to give the honorable gentleman. To members of Parliament the form appears simple but to many people it is hard to deal with. It is necessary in order to obtain a liquor licence to allow liquor to be served with meals at certain functions. A fee of $13.50 is payable.

The form contains a number of repetitive questions such as: "Who supplied the liquor?" "Where was the liquor obtained from?" "What sort of

meals will be provided?" "Who applied for the licence?" and so on. On several occasions people who have made errors in filling in the form have been refused licences. Because they did not have those licences they got into trouble when holding their functions.

I should like the Attorney-General to ascertain whether the form could be made simpler and the repetition could be dispensed with. Surely, in the twentieth century, if people want drinks with their meals they should be able to have them without filling in such large forms.

The Hon. HADDON STOREY (Attorney-General)—I entirely agree with Mr Sgro on the desirability of simple forms that are easy to follow and to fill in. However, forms must provide the information needed to make specific decisions about whether licences should be granted. I am not aware of the precise details the forms require as the liquor laws are administered by the Minister of Labour and Industry, but I shall draw that honorable gentleman's attention to the point raised by Mr Sgro. I ask the honorable member to provide me with a copy of the form as there may be a number of different forms, and I will ask the Minister of Labour and Industry to examine the matter and ascertain if the form can be simplified, and, if so, to take the necessary steps.

The Hon. D. G. CROZIER (Minister for Local Government)—As I assured Mr Thomas on the last occasion on which he raised this matter, I will endeavour to have an appropriate answer to the question on notice to which he referred provided to him. The matter raised by Mr Thomas was apparently the subject of a recent letter to him from the Minister of Transport. It is a matter that would probably be best discussed in person with the Minister of Transport. Nevertheless, I shall advise the Minister of the difficulties raised by Mr Thomas.

Mr Evans made the valid point that a question on notice should be answered within a reasonable time. Obviously, there are all sorts of reasons why some departments have difficulty with some questions. I entirely agree that a time lapse of six or seven months is unacceptable and I will certainly endeavour to have a prompt answer provided to the honorable member.

The Hon. F. J. GRANTER (Minister of Water Supply)—The information asked for by Mr Guest is: The O'Shannassy Lodge, $27 a person; Wallaby Creek, $27 a person; and the Thomson dam project, $30 a person.

The motion was agreed to.

The House adjourned at 6.21 p.m.

QUESTION ON NOTICE

TEACHERS
(Question No. 119)

The Hon. B. P. DUNN (North Western Province) asked the Minister of Education:

(*a*) How many trained teachers is it expected will graduate from Victorian teachers' colleges in each of the next four years?

(*b*) How many of those teachers will be guaranteed teaching positions?

(*c*) What is the estimated number who will find teaching positions?

(*d*) How many is it expected will be surplus to needs, based on present percentages?

The Hon. A. J. HUNT (Minister of Education)—The answer is lengthy and statistical, and I seek leave of the House for its incorporation in *Hansard* without being read.

Leave was granted, and the answer was as follows:

(*a*) Estimates of the number of newly-qualified teachers graduating from pre-service teacher education programmes in Victoria, based on planned intakes in universities and colleges as provided by the institutions early in 1979 and assumed enrolment-graduate ratios, are given below.

The intake figures are at present under review by the Victorian Post-Secondary Education Commission.

Completing the programme in:	1979	1980	1981	1982
Available for employment in:	1980	1981	1982	1983
Pre-primary	218	184	170	160
Primary..	1 992	1 724	1 583	1 583
Secondary (non-Technical)	1 842	1 774	1 762	1 787
Technical*	795	700	780	N/A

*Estimated graduates of State College of Victoria at Hawthorn for employment in secondary technical and technical and further education programmes.

(*b*) The only graduating teacher trainees who can be guaranteed teaching positions at this stage are those who are completing their training on Teaching Studentships. No new

Teaching Studentships have been awarded since 1978, so the numbers of studentship holders expected to exist over the next four years will decline rapidly as follows:—

1980—719	1981—204
1982—73	1983—11

(*c*) The resignation and retirement pattern of teachers is subject to considerable variation from one year to the next. Resignations in particular appear to be dropping sharply at present. Since a 1 per cent variation in the pattern accounts for a total of nearly 500 teachers, accurate predictions of the numbers required to replace the losses in any one year cannot be made with certainty.

However, based on teacher loss rates in 1978, the requirements of the Education Department for new teachers in each of the relevant years are likely to be of the following order:

1980—2800	1981—2900
1982—3250	1983—2700

It should be noted that these estimates are strongly influenced by assumptions made on the factors underlying changes in enrolments, such as overseas and interstate migration, proportion of pupils attending non-government schools and the retention rates of pupils in secondary schools. They are also influenced by assumptions made on the number of teachers on long-term leave and, as pointed out above, assumptions made on teacher loss rates. The predicted increased demand for teachers in 1982 is largely due to the implementation of the Government's intention to reduce the pupil-teacher ratio in primary schools to 21:1 (after the first teacher) by 1982. It is assumed that pupil-teacher ratios in post-primary schools will remain at their present levels.

This Department does not produce estimates of teacher demands in non-government schools. However the annual school census indicates that in August 1979, 12 696 teachers were employed in non-government schools, and that this number has increased by 1973 over the last three years.

(*d*) In the light of the unknowns expressed in part (*c*) no reliable predictions of surpluses can be made except to the extent that these can be inferred from parts (*a*) and (*c*) above.

Declining school enrolments and their educational implications are within the ambit of a widely published Ministerial Review of Education Policies, and an interim statement on that aspect will be made this week, and tabled next week.

Legislative Assembly

Wednesday, 5 December 1979

The SPEAKER (the Hon. S. J. Plowman) took the chair at 11.5 a.m. and read the prayer.

QUESTIONS WITHOUT NOTICE

STATE INCOME TAX

Mr WILKES (Leader of the Opposition)—In view of the likely result of the Premiers Conference on Friday, particularly with the abandoning of the Whitlam formula, will the Treasurer give a categorical assurance that a State income tax will not be introduced in Victoria during 1980–81 in an effort to compensate for the shortfall in Government receipts?

Mr THOMPSON (Treasurer)—I am not prepared at this stage to give any categorical assurance to any aspect of taxation until the Government knows what is happening in the Federal sphere.

INTERNATIONAL FLIGHTS

Mr ROSS-EDWARDS (Leader of the National Party)—I refer the Minister for State Development Decentralization and Tourism to the welcome announcement today of a direct weekly flight from Melbourne to Hong Kong by Cathay Pacific Airways Ltd. Is the Minister able to advise on any other negotiations of additional international flights beginning at Tullamarine airport?

Mr HAMER (Minister for State Development Decentralization and Tourism)—Everyone welcomes the establishment of a direct-flight service by this enterprising airline. The discussions the Government has had with the airline indicate that it will initiate another direct flight early next year, depending on the support accorded to it by residents of south-eastern Australia. In relation to direct flights generally, it has been a constant objective of the Government, firstly, to increase the number of international airlines using the magnificent airport at Tullarmarine. That number has increased from five when the airport opened in 1970 to fourteen today; a solid increase. The second objective has been to obtain more direct flights and that again has had a marked degree of success because, now, many flights for the United Kingdom, Greece, Germany and Italy are direct, eliminating a 3-hour delay

either coming or going through Sydney airport. Panam is now beginning some direct flights across the Pacific.

The third objective it to have Japan Air Lines flying here and negotiations have been held with the Federal Minister for Transport on this matter. There is a tendency for Qantas Airways to want reciprocal rights in all such cases and, for Japan, Qantas Airways is seeking rights to land at Osaka, but that airport is already overloaded and, until a new international airport is built there, no additional international flights will be allowed. This holds up the possibility of direct flights between Japan and Tullamarine airport, although Japan Air Lines wants to provide the direct-flight service. The Government intends to ask the Federal Minister whether he will discard the reciprocal requirement to allow Japan Air Lines an additional facility at Tullamarine on the basis of future negotiations and promises of reciprocity.

That is the present situation and I enlist the support of all honorable members on this important development in tourist travel. It is a severe deterrent for commuters to or from Japan to have to go through Sydney airport and waste at least three hours.

WORK BANS BY FIREMEN

Mr MACKINNON (Box Hill)—Is the Minister for Police and Emergency Services aware of reported threats by firemen to take industrial action by not attending fires at Parliament House and at Government buildings, and also homes of honorable members? If so, will he take any action to discuss the matter with the firemen concerned? Further, is the honorable gentleman aware of any efforts of assistance in this matter from the Leader of the Opposition?

Mr THOMPSON (Minister for Police and Emergency Services)—From my experience of firemen in the short period that I have been Minister for Police and Emergency Services I would be extremely surprised if they intended to carry out any such action. If they did, things would have reached a very strange state. For example, it is suggested that fires in Government buildings will not be attended. I notice the Leader of the Opposition is looking a bit anxious; if he is trapped in a fire in his office and rings the fire brigade, the answer will be——

Mr Wilkes—Why don't you open the doors and let my staff out?

Mr WILTON (Broadmeadows)—I raise a point of order to try to bring some sanity back into the place. I submit that the whole matter is out of order. In his opening remarks the Treasurer said that he had grave doubts whether something would take place, and it is obvious that he has not been personally involved in any discussions with his department or any other person on the matter. Then he went on to give a dissertation about what may or may not happen under certain circumstances. I submit that it is obvious that the matter is not under the honorable gentleman's direct control or part of his direct Ministerial responsibility, and therefore it is out of order.

The SPEAKER (the Hon. S. J. Plowman)—I do not uphold the point of order. Fire services come under the Minister's administration. Reports have been made, of which honorable members would presumably be aware, of potential action that may be taken by firemen.

Mr Wilkes—And the police.

The SPEAKER—The question is what the Minister is going to do to alleviate the situation.

Mr THOMPSON (Minister for Police and Emergency Services)—Supposing the Leader of the Opposition had a fire in his office and rang the fire brigade; the answer at the other end of the telephone would be, "We are terribly sorry, Mr Wilkes; we know you will understand, but you happen to be in a Government building. If you rang from your home saying that a fire had broken out, we would take care of that, but as you are in your office we cannot help you". What an amazing situation that would be! It is not a big step from that to a situation where a householder who rings the fire brigade to say that there is a fire in his home and the place is burning down would be asked how he voted in the last election. It is getting very close to that.

As I said before, I do not believe the firemen will carry out that threat, but that is what they said. I am reliably informed that these are the new tactics of the Socialist left.

Mr FORDHAM (Footscray)—On a point of order, the Minister's dreaming and visions may be of interest to himself and perhaps to his own back bench, but I suggest that that sort of comment, debating the issue and certainly not relating to the question, is out of order and the Minister should wind up his remarks. The question was simple and straightforward and he has already answered it.

The SPEAKER (the Hon. S. J. Plowman)—I remind the House that Ministers may answer questions as they see fit but the Minister may not debate the question.

Mr THOMPSON (Minister for Police and Emergency Services)—As I was saying, I am reasonably reliably informed that these are the new tactics of the Socialist left, which means that the community will be left high and dry, and in this case, apparently, burning.

I call on the shadow Minister of Labour and Industry to make a public statement dissociating himself and the Labor Party from these despicable tactics which bring fear to the people of Victoria.

STATE SHARE OF INCOME TAX

Mr JOLLY (Dandenong)—In view of the operation of the Whitlam formula in the financial year 1979–80 yielding Victoria $91·5 million more than the State's personal income tax share, what plans will the Treasurer put to the Loan Council to ensure that the abolition of the Whitlam formula by the Fraser Government at the end of the financial year will not reduce Victoria's share of personal income tax entitlement?

Mr THOMPSON (Treasurer)—The arguments will be put to the Premiers Conference rather than the Loan Council but that is a minor point. All the States will be arguing strongly for the retention of some sort of guaranteed formula to ensure that, when there is a diversion away from income tax collections and an emphasis on indirect taxation, the States will not be disadvantaged.

So far as next year is concerned, the problem would not arise because there has been a marked increase in income tax collections due, firstly, to a postponement of indexation and, secondly, an improvement in farm incomes. Therefore, the position next year is covered but for the following years, the States are concerned that some form of reserve guarantee formula is established.

When the formula first operated it provided for a 10 per cent increase in wages. It then became a 1·2 per cent betterment factor based upon population and wage increases and then a 1·8 per cent betterment factor. The Whitlam Government finally announced that it would move from 1·8 per cent to 3 per cent which the States had as a guaranteed formula associated with a new form of income tax sharing which guaranteed 39·8 per cent.

Hence, the short answer is that all States will be arguing for either the retention of the formula or an adequate formula which guarantees the interests of the States in a year when there is a sudden drop in income tax collections.

MAIN ROADS

Mr WHITING (Mildura)—Can the Minister of Transport inform the House when the last main road under the Country Roads Board direction was declared and where that occurred? Further, if it was a recent declaration, will the Minister assist the Country Roads Board in making a similar declaration in the Shire of Mildura?

Mr MACLELLAN (Minister of Transport)—The last declaration of a main road was made by the Governor in Council this week because I can remember signing a document for the declaration of a main road. Therefore, it does happen from time to time, but not always with a fanfare of publicity. Whether that was in substitution for some other road or not, I do not know.

The honorable member for Mildura asked where it was. I cannot remember. The honorable member asked if I would

repeat the performance in Mildura. If the road were located in Mildura it would make no difference to me, but I cannot think of a road in Mildura to which that sort of rule would apply.

NATIONAL PRE-NATAL CLINIC

Mrs PATRICK (Brighton)—Can the Assistant Minister of Health inform the House whether records are being kept in Victoria of babies born with congenital abnormalities and whether those records are forwarded to the National Pre-Natal Clinic which is gathering statistics in Sydney? If these records are being kept, when did that action commence?

Mr LIEBERMAN (Assistant Minister of Health)—In answer to a question on an important issue, to do justice to it, I will ask the honorable member to put the question on notice so that the precise details of the research being undertaken in Victoria and the way in which the research is taking place throughout Australia can be made available to interested honorable members by reading *Hansard*.

NEW FEDERALISM

Mr MILLER (Prahran)—In view of the Premier's past support of and commitment to the so-called new federalism, does he intend to continue this support in the light of Victoria's increasing indirect taxation, or will he seek a new arrangement and, if so, what new arrangement?

Mr HAMER (Premier)—The term "new federalism" covers a wide scope. It covers what used to be tax reimbursement, it covers tied grants, it covers general grants and, in an indirect sense, it covers loan funds as well. The purpose of having the Premiers Conference on Friday in Canberra is to discuss new arrangements as a result of the expiry of the current guarantee formula next June.

Mr Wilkes—The Whitlam formula.

Mr HAMER—It is based on the Whitlam legislation, and it was a guarantee that the States would not be worse off than they would have been under previous arrangements under the Whitlam Government. That was the form of the guarantee. It was given for a period of years expiring next June, and it now becomes a matter of devising a new arrangement. Naturally, as the Treasurer has already informed the House, the States will put their views on what that new arrangement should be and I expect the Federal Government will put its views. There will then be a brisk discussion. It is all done in the context of what has broadly been termed "new federalism". There is no sense in turning the clock right back. The system must be made to work properly.

MAROONDAH ALCOHOLICS RECOVERY PROJECT

Mr McARTHUR (Ringwood)—I refer the Assistant Minister of Health to representations for permanent Government funding for the Maroondah alcoholics recovery project which runs two rehabilitation houses in the outer eastern suburbs. The project has been providing a valuable service with a home environment and it has been restoring confidence in patients in Government institutions. Is the Assistant Minister in a position to report any progress on the funding for this project?

Mr LIEBERMAN (Assistant Minister of Health)—The question raised by the honorable member for Ringwood concerns an area dealt with by the Minister of Health. Representations made by the honorable member to the Minister concerning the difficulties of this worth-while project during the current financial year have been evaluated by the Health Commission at the Minister's request. The request of the Minister was that some assistance in funding be given for this year only to enable the Maroondah centre to continue its excellent work. As a result of those representations, a maximum amount of $15 500 will be made available to the centre this year only to enable it to carry on its current programmes. I should add that the Maroondah alcoholics recovery project involves the provision of rehabilitation for both men and women. The centre provides homes in Croydon and North Croydon for these people. One of the attributes of the project is that it provides a home

environment atmosphere for people afflicted with this problem and gives support to them while they seek employment and make the emotional adjustments necessitated by their affliction.

OVERSEAS BORROWINGS

Dr VAUGHAN (Glenhuntly)—Can the Treasurer inform the House whether the recent increase in overseas interest rates to more than 15 per cent reduces the ability of the Victorian Government to borrow overseas at interest rates which are not higher than those currently experienced in Australia?

Mr THOMPSON (Treasurer)—Any change in overseas lending rates can have an adverse effect. At present, a new style of infrastructure borrowing tends to be concentrated on the overseas market.

Yes, it could have an adverse effect but there is little that either the Australian or the Victorian Governments can do about it. The Government has taken action so far as it is within its area of control to limit interest rates to a minimum. For example, in the home finance area, the Government introduced a special system of subsidizing interest rates in the interests of helping the low income earners to purchase homes, and Government policy will remain the same as that is a area which gives it particular concern. Unfortunately there is little we can do about it in the overseas sector.

WORK BANS BY FIREMEN

Mr B. J. EVANS (Gippsland East)—Can the Minister for Police and Emergency Services advise the House what steps have been taken to protect Parliament House from fire during the currency of any ban imposed by the fire brigade union?

Mr THOMPSON (Minister for Police and Emergency Services)—I will be having discussions with the Chairman of the Melbourne and Metropolitan Fire Brigade Board, Mr Johnson, at an early date. As I have indicated, in the final analysis, I do not believe that these threats will be carried out because I have respect for members of the fire brigade who, over the years, have loyally served this State. It would appear that they are being unduly influenced by people trying to inflame them to take action.

Honorable members interjecting.

The SPEAKER (the Hon. S. J. Plowman)—Order! The Leader of the Opposition and other members of his party will cease interjecting.

Mr THOMPSON—The fire brigade members are being inflamed to take action, and no member of the Opposition, in his own heart, would agree with these tactics, particularly the Leader of the Opposition himself.

UNIONISM IN SCHOOLS

Mr McCANCE (Bennettswood)—In the absence of the Assistant Minister of Education, my question is directed to the Premier. I ask whether the honorable gentleman is aware of a proposal made recently by the Trades Hall arts officer, suggesting that teachers should promote a positive attitude to unionism in schools? I ask the Premier to inform the House whether the Education Department has power to restrict this type of information being disseminated in schools?

Mr HAMER (Premier)—My recollection of the press account was that a member of the Trades Hall Council, whom I think was Mr George Seelaf, a person for whom I have a high regard, was disturbed at what he called the anti-union attitude in school leavers. He gave an illustration where a group of school leavers from his own district was questioned, and only one evidenced an inclination to join a union. That was the foundation for his comment and he was inclined to blame what he called "teacher unionists" in the schools for not giving children a more positive attitude to unionism.

It is quite clear that the duty of teachers is not to be propagandists but to set out the facts and invite the children to form a judgment of their own, and any suggestion—I believe there was a suggestion here—that teacher unionists, so called, should have some kind of duty or obligation to indoctrinate

the students in particular attitudes towards unions or unionism ought to be condemned.

TAP SYSTEM OF BORROWING

Mr ROWE (Essendon)—Will the Treasurer give an assurance to the House that the new tap system of borrowing to apply to Commonwealth bonds will not disadvantage State semi-Government authorities, such as the State Electricity Commission and, further, will the honorable gentleman explain to the House how this new borrowing system will affect such instrumentalities?

Mr THOMPSON (Treasurer)—It is not within my province to give any such guarantee; it is a decision made basically by the Commonwealth Government. The scheme is not yet really in operation. It is therefore impossible to gauge what effect it would have on borrowing of authorities such as the Melbourne and Metropolitan Board of Works. I have some worries that it might have an adverse effect, and the Government will be watching the new scheme closely with a view to making suitable representations if it has an adverse effect. The scheme was to have started a little earlier than now appears to be the case but a trial period will be necessary to ascertain its effect. It is a revolutionary change in lending in Australia.

ELECTRICITY

Mr COX Mitcham)—Is the Minister for Minerals and Energy aware of the statement by the Prime Minister that Australia could run short of the energy electricity if the eastern States did not co-operate with the Commonwealth to prevent this shortage? If so, will the Minister advise the House whether the Victorian Government is willing to co-operate in this matter?

Mr BALFOUR (Minister for Minerals and Energy)—I saw the article mentioned. Up to this stage, the three south-eastern States, New South Wales, Victoria and South Australia, particularly New South Wales and Victoria, have been able to look after their electrical requirements quite well. Unfortunately, in the past two years the situation in Victoria has been rather tight but when we have Newport and the two Yallourn stations, No. 3 and 4, our position will be extremely satisfactory.

It is most gratifying that the Commonwealth now appears to be willing to make certain finance available to Victoria to carry out the necessary infrastructure work required to produce greater generation. The three authorities, in New South Wales, Victoria and South Australia, work closely. The Victorian authority is inter-connected with that of New South Wales, and regular conversations take place between them. The most pleasing part of all this is that the Commonwealth has shown a degree of interest and will make finance available to carry out the necessary work.

WELFARE HOUSING

Mr CATHIE (Carrum)—As the Federal Government has halved funds for welfare housing for low income families in Victoria in the past three years and as the Victorian Government has not made up that short-fall, does the Premier intend to raise this matter at the Premiers Conference on Friday and does he intend asking for an emergency grant for welfare housing in Victoria to relieve the 22 000 families currently on the Housing Commission waiting list?

Mr HAMER (Premier)—Victoria, along with all other States, argued this matter strongly at the last Premiers Conference and Australian Loan Council meeting. The Victorian Government does not agree with the Federal Government's reduction of loan funds for capital projects and has said so consistently and will do so on every possible occasion. I believe the limitation of funds for housing, particularly welfare housing, has led in part to the difficulties in the building industry. It is tending to increase the waiting list for Housing Commission homes. Victoria will do its best and argue as strongly as it can for a resumption of adequate funding through the Commonwealth-State Housing Agreement, not just for welfare housing but also for co-operative housing.

CHERNOV REPORT

Mr HANN (Rodney)—As it has been approximately two months since the Chernov report was presented to the Government, can the Premier advise whether the Government is any closer to laying charges as a result of that report and will the honorable gentleman give an assurance that any charges that will be laid will be laid before the end of the present session of Parliament and the closing of the present legal year?

Mr HAMER (Premier)—I am not able to answer that from my own knowledge, only from what has been given to me by way of information from the responsible Ministers—the Attorney-General and the Minister of Housing. A preliminary report has already been made on this report and some further investigation is required before charges, if any, can be laid. I shall certainly be urging that that work be done promptly and that any charges be preferred before Christmas.

HEIDELBERG OLYMPIC POOL

Mr SKEGGS (Ivanhoe)—Is the Minister for Youth, Sport and Recreation aware of a petition presented to the Heidelberg City Council calling for the water heating facilities at the City of Heidelberg Olympic Pool to be made operative so that swimming can take place in a heated pool; if so, will the honorable gentleman give favourable consideration to any proposal from the council for assistance from the Department of Youth, Sport and Recreation to make this valuable community facility available?

Mr DIXON (Minister for Youth, Sport and Recreation)—I am aware of the matter and I understand that a petition signed by 800 people, representing about 700 families, has been presented to the City of Heidelberg urging that the pool be heated. From its inception, the Department of Youth, Sport and Recreation has consistently supported the heating of swimming pools to provide for year-round use. It would therefore support the proposal in principle.

Should the municipality make the pool its first priority, the capacity of the department to allocate funds would depend upon the funds available and the number of applications received at the time when the applications are decided upon, which will be in approximately July of next year. I reiterate that the department would certainly support the proposal in principle.

PETITION

Steel spring leg traps

Mr EDMUNDS (Ascot Vale) presented a petition from certain citizens of Victoria praying that legislation be introduced to prohibit the use of the steel spring leg trap in the catching of animals and to provide for a suitable replacement. He stated that the petition was respectfully worded, in order, and bore 25 signatures.

It was ordered that the petition be laid on the table.

SUPERANNUATION (AMENDMENT) BILL

Mr THOMPSON (Treasurer) moved for leave to bring in a Bill to amend the Pensions Supplementation Act 1966, the Superannuation Act 1958, the Superannuation Act 1975, and for other purposes.

The motion was agreed to.

The Bill was brought in and read a first time.

Mr THOMPSON (Treasurer)—I move:

That the Bill be printed and, by leave, the second reading be made an Order of the Day for later this day.

Mr FORDHAM (Footscray)—Can the Treasurer give a brief indication of what is involved in the measure?

Mr THOMPSON (Treasurer)—The Bill contains three principal proposals. It will enable the board to appoint its own staff to handle investments. It will extend the period during which married women have the opportunity of electing to join the State fund. The last and most important proposal is that the Bill will carry out an undertaking to index pensions. The undertaking was made earlier this year by the Premier.

The motion was agreed to.

MOTOR CAR (INSURANCE BY PENSIONERS) BILL

Mr THOMPSON (Treasurer) moved for leave to bring in a Bill to amend section 71 of the Motor Car Act 1958.

The motion was agreed to.

The Bill was brought in and read a first time.

Mr THOMPSON (Treasurer)—I move:

That the Bill be printed and, by leave, the second reading be made an Order of the Day for later this day.

Mr FORDHAM (Footscray)—Could the Opposition have an indication of what is involved in the proposed legislation?

Mr THOMPSON (Treasurer)—Earlier this year, it was announced that a 50 per cent concession would be introduced for third-party insurance premiums for pensioners. A legal doubt has arisen concerning the power of the Governor in Council to make such a concession under the Motor Car Act. At present, premiums are fixed by the Governor in Council on the recommendations of the Premiums Committee. There is doubt on whether a concession of this type can be recommended by the Premiums Committee. To remove the legal doubt, the Government will take the further course of action to ensure that the Governor in Council has such power to enable the scheme to operate from 1 January 1980.

The motion was agreed to.

HOUSING COMMISSION TRANSACTIONS

Mr ROPER (Brunswick)—I move:

That a Select Committee of six members be appointed to inquire into and report upon all aspects of the Housing Commission transactions in relation to—(*a*) land bounded by Abbotsford Street, O'Shannassy Street, Dryburgh Street and Haines Street, North Melbourne; (*b*) land along Lytton Street, Carlton, between Cardigan Street and Lygon Street; and (*c*) the "cross street" land between Cardigan Street and Lygon Street, Carlton, south of Lytton Street.

The Opposition moves this motion because it believes some important transactions occurred during the 1970s, the details of which have not been able to be put before Parliament and which need to be investigated by Parliament.

From an analysis of the information the Opposition has been able to obtain, it believes firstly, that there is a definite possibility of corruption; secondly, that there is clear evidence of favouritism; thirdly, that there is incompetence on a major scale; and fourthly, that there is a cover-up of significant proportions.

Decisions and actions have been taken favouring individuals and consistent efforts have been made to prevent the Opposition and Parliament from learning about the deals. After I describe what the Opposition knows of each of the deals I will demonstrate how successive Ministers of Housing have acted to keep the details of three deals secret, despite continued efforts of the Opposition in this place. The present Minister of Housing attempted to cleanse himself by providing hundreds of files for police investigation. He did not have any concern about his colleagues, the former Ministers of Housing, so concerned was he to get out from under in this matter. The present Minister of Housing has failed because he has deliberately failed to provide information and knowingly deliberately aided in the cover-up of these deals.

Let us look at what we know. The first deal between the Housing Commission and Inge Brothers Sales (Aust.) Pty Ltd relates to land in North Melbourne. Inge Brothers is a family company of two men. Alexander and Sigismund Inge, both of North Balwyn, who control North Terrace Investments and Inge Brothers. In the 1960s this land was purchased for slum reclamation for $672 240. In July 1971 the Housing Commission advertised for tenders for development. In October 1971 several tenders were received. The highest tender, for an amount of $452 925, was from Inge Brothers. The second highest tender of $450 000 was from Russell Brown. The Chief Architect for the Housing Commission of Victoria recommended the Russell Brown development as the best. It is clear that in many of these developments one does not necessarily accept the highest tender and decisions are made having regard to the quality of the development.

However, on 25 October 1971, Mr Meagher, the then Minister of Housing, on the advice of the commission as opposed to the officers, accepted the Inge Brothers tender on the basis of a 1 per cent deposit, 24 per cent payable on receipt of permits or after fifteen months if earlier; the balance payable after five years. No interest was payable for 27 months and then interest at 7 per cent was payable monthly. That document was signed "Ray Meagher" who issued a press release at the same time claiming that the development would be completed in five years, which would have been in October 1976.

The contract was signed on 29 October 1971, the deposit was paid and further amounts then became due over the following five years. On 19 October 1973 the Secretary of the Housing Commission, Mr Bohn, wrote to Inge Brothers about his deep concern at the lack of progress. He pointed out that the possession date was 26 January 1973 and that clause 6 (*a*) of the contract required completion of the project within three years. There were clearly major problems with this project and major problems with the developer that the commission had chosen. Inge Bros were having financial problems as well.

On 8 February 1974 the Housing Commission entered into what can only be called an odd arrangement and not what one would see as part of its normal legal responsibilities, because the Housing Commission requested the Australia and New Zealand Banking Group Ltd to lend $1·8 million on mortgage to Inge Bros on the basis that, firstly, the Housing Commission of Victoria would take over the development if the ANZ Bank foreclosed—I suppose that might be regarded as normal—and, secondly, that the Housing Commission maintain a short-term deposit investment of $1·8 million with the ANZ Bank for the duration of the mortgage.

Mr Coleman—Who was the commission banking with?

Mr ROPER—I do not know who the commission was banking with, but this was a special arrangement on behalf of Inge Brothers. My colleague, the former member for Melbourne, Barry Jones, asked for details of this on 12 March 1974 as is recorded at page 3804 of *Hansard*. It was a question on notice and some details of the arrangements were given. He asked a further question without notice, which is reported on page 3830 of *Hansard* on 13 March 1974, which is reported about a particular transaction and asked whether the file would be made available. The then Minister of Transport, Mr Meagher, in reply said:

> I will refer the honorable member's request for the tabling of the file to the Minister of Housing.

The request for information is thus hardly new. On 22 April 1974, the former member for Melbourne was told that the files would not be tabled and would not be made available in the Library. Clearly, had some of this information been known in 1974, I am sure Parliament would have been prepared to take action at that time.

It is significant that it would be difficult to imagine arm's length dealings between senior officers of the Housing Commission and Inge Brothers, because in 1975, as honorable members will be aware, a trip for senior Housing Commission officers, including Mr Allwinton, was arranged to Japan by Inge Bros. through Dickies World Travel Service, which subsequently billed the commission. Clearly, Inge Brothers were related to the commission in a variety of other ways than through this particular dealing.

On 5 December 1975, the ANZ Bank requested the approval of the Housing Commission to extend the mortgage to $4·2 million, and it is not clear whether this involved further Housing Commission money being placed on deposit. On 27 February Inge Bros. asked the Housing Commission for extended time under their contracts as the completion date had been passed for a month and a day.

Mr Dixon—When was that?

Mr ROPER—That was 1976, after the original completion date. The Minister should be aware of this because the Opposition asked him to examine the

file, and he said that he was investigating the file in June of this year. The Housing Commission agreed to extend the contract to 29 February 1978.

On 21 April 1977, Inge Bros. again requested more time, and in a separate letter, the Chief Architect of the Housing Commission of Victoria, advised the commission to take over the development. Again the professional advice of the officers of the commission was ignored and on 16 May 1977 the Housing Commission of Victoria extended the contract again to 4 February 1979.

On 12 June last year a new second mortgage was drawn up for $336 997.50 at 7 per cent interest. It is significant that there has never been any effort to get a normal market interest payment from this company. Everyone else in the community is paying interest rates that are related to the over-all market but that 7 per cent, which was determined at that stage, reasonably, I suspect, in 1971 became less justifiable. Inge Brothers have certainly received major benefits, firstly, because their project, which was not regarded as the best development, was chosen; secondly, because no action was taken on their lack of progress; thirdly, because the commission and the Australian and New Zealand Banking Group Ltd between them bailed out the company; and, fourthly, because the commission has taken virtually no action despite the fact that the terms of the contract were not lived up to and that the advice of the chief architect to take over the development was ignored. Also in this particular matter was the consistent pattern of preventing members of Parliament from obtaining significant details about it.

Mr Dixon—The files were tabled in the Library.

Mr ROPER—I shall refer to that later and the Minister of Housing can decide whether there was reasonable access. The files were certainly not made available in 1974; they were deliberately refused.

Land at Lytton Street, Carlton, was purchased for slum reclamation in the 1960s for $184 000 and on 1 May 1972 was sold to Renewals and Constructions Pty Ltd, Nathan Beller, the highest tender, for $176 880 on a 20 per cent deposit. The sale documents were signed by Mr Ray Meagher who issued a press release on that development on 16 May 1972. On 30 May 1973 the Housing Commission varied the contract and on 10 September 1973 the Housing Commission extended the building term. On 2 December 1974, when it was clear that nothing was occurring despite Mr Meagher's comments, Mr O'Bree estimated that the current value of the land was $253 000. On 12 December, Nathan Beller offered to sell the land back to the Housing Commission for costs and on 23 December 1974 the Housing Commission, by way of being Father Christmas, agreed to cancel the contract and to repay the deposit and to pay $35 000 for Mr Beller's costs. On 22 January 1975, Mr Beller accepted the refund of deposit and costs, a total of $70 376.

That deal had not turned out well for the Housing Commission. It had bought land, sold it for less than it had paid for it and then paid the fellow's costs of $35 000 as well! On 4 July 1975 Mr Mithen wrote to the Property Manager of the Housing Commission suggesting a tender value, because it had to go out again, of between $250 000 and $260 000 and it was put out to tender on 7 July 1975. A firm called Separate Titles offered $255 000 for the land on a 5 per cent deposit, 35 per cent on permits, and the balance within three years. On 19 September Damian Builders, a firm controlled by Michael and Gusta Silberg of Caulfield and D. S. Lipszyc put in a tender of $255 000 with the Housing Commission to buy unsold units or alternatively a proposal for $210 000 cash.

On 10 October Silberg wrote to the Secretary of the Housing Commission referring to discussions with Alan Ashman on 8 October and proposed $225 000 on 10 per cent deposit, residue after three years, the Housing Commission to buy any flats unsold after twelve months at cost plus 5 per cent. On 13 October, which was fairly quick action, the Housing Commission accepted Silberg's proposal of $225 000 at 10 per cent deposit, with the balance

payable in twelve months, with no interest and the Housing Commission to purchase any unsold unit. The plan was for 45 units, 6 three-bedroom, 33 two-bedroom and 6 one-bedroom, for a total cost of $2 million. I specifically remind the Minister and honorable members of a strange and mysterious clause—clause 8—of the contract, which provides:

> If any of the flats remain unsold in any one stage after the expiration of twelve months of completion of that stage the vendor shall purchase same at a price to be negotiated and agreed upon between the Vendor and Purchaser at the commencement of that stage.

The Housing Commission was in fact virtually giving or providing Silberg with a licence to do as he liked with absolutely no risk. That is a marvellous building deal, and it was presumably arrived at on Mr Ashman's advice.

On 31 October 1977, the Housing Commission extended the contract for eighteen months, from 6 April 1977 to 6 October 1978, at 10 per cent interest. On 29 December 1977 the Housing Commission partially discharged mortgages for three units without payment. Mr Alan Ashman directed thus because he considered that there was enough security left. On 20 December, Mr Silberg had offered to the Housing Commission six two-bedroom flats at $45 000. He said that the price was reasonable because they cost $41 000 and took eighteen months to build. On 22 December 1978, Mr Miller, a senior officer of the Housing Commission, contested the costs and informed Mr Silberg that the Housing Commission would not buy unless forced to, but in fact that had been agreed to at the beginning when the contract was entered into.

Mr Simpson—Clause 8!

Mr ROPER—Clause 8 covered that. On 7 March 1978, Mr Ashman wrote to his colleagues in the commission, Mr Allwinton and Mr Vaughan, about the cost of the units. Mr Silberg, on 21 September 1977, said a three-bedroom flat was worth $65 000, a two-bedroom flat was worth $41 000 and a one-bedroom flat was worth $39 000. The quantity surveyor of the Housing Commission, on 3 January 1978, said that a three-bedroom unit was worth $61 215; a two-bedroom unit, $38 889; and a one-bedroom unit, $34 568. There is a substantial difference. But on 3 March, Mr Silberg came back and said that he was wrong the first time and that a three-bedroom flat was now worth $67 000; a two-bedroom unit, $42 000; and a one-bedroom unit, $39 500—all up on his previous prices and significantly up on the values of the quantity surveyor. Mr Ashman then recommended Mr Silberg's higher price of $67 000, $42 000 and $39 500—$5000 more than the amount stated by the quantity surveyor of the Housing Commission for the three-bedroom unit, $3000 above for the two-bedroom unit, and nearly $5000 above the one-bedroom unit.

Mr Ross-Edwards—Nearly $6000.

Mr ROPER—I apologize if I have slightly understated the difference. It was agreed to by the Housing Commission on 14 March. On 26 June 1978, Mr Silberg offered twelve two-bedroom and three one-bedroom flats for $45 000 each, a total of $675 000. On 3 July the Housing Commission decided to obtain a valuation and an architect's report. Mr Jack Burnham gave a valuation of $665 000 and Mr Morey of the Valuer-General's Department, $642 000. During that stage various flats were discharged without payment. On 25 September 1978, the Housing Commission agreed to negotiate on $42 000 for two-bedroom flats and $39 500 for one-bedroom flats, a total of $622 500, on certain conditions.

I invite honorable members to examine the figures which Mr Silberg suggested and Mr Ashman recommended. On 31 October Mr Silberg visited Mr Miller and left a letter in which he said he could not sell the units and asked the Housing Commission to buy all of them or alternatively to extend his credit. There were 30 units left to sell, the last sale having been in August. The pay-out for the remaining flats was approximately $1·4 million. On 16 October the Housing Commission decided to seek legal advice. It would have been helpful if that action had been taken before the contract was entered into.

On 30 October 1978, the Housing Commission decided to extend credit for another twelve months, to 6 October 1979, at 10 per cent interest.

Some colleagues of mine inspected the flats in November last year and found the various prices for which they were being sold; it was also suggested that the flats were available for rental. In June this year I inspected the flats and found that at least ten were unoccupied. It was unclear how many had been purchased and how many had been rented. An estate agent's board was on display, and I rang up and was told that at least two two-bedroomed flats were available at a rental of $85 a week—good welfare housing rates. I rang the telephone number on the sale board outside the building and received no answer. The office on the site was closed. The proprietor obviously had the view that he would be able to get rid of the flats to the Housing Commission under clause 8.

In August 1979, a new telephone number appeared in handwriting on the sale board. That number was 26 4096. In November this year I telephoned this number again and was told that the units were still for sale and that at least three units were available. Another arrangement was made for someone to inspect the facilities together with Mr Silberg, who was contactable on the neighbouring site, 420 Cardigan Street—the "Cross Street" site. To put it mildly, Mr Silberg was cagey about how many units were available for sale, either town houses or two-bedroomed flats.

Since July this year, only two releases of partial mortgages have been put through the Titles Office. This morning I was informed by the Titles Office that second mortgages were still held by the Housing Commission on twelve units. These applied to units numbers 3, 4, 19, 20, 21, 22, 26, 33, 38, 39, 40 and 44. Only two had been discharged since July this year, which hardly seems to be a large amount of disposal. The Housing Commission is still legally liable to purchase these other twelve units. I will come shortly to the action that has occurred in Parliament on that matter, but I remind the Minister of the questions that need to be asked and answered in Parliament.

Firstly, why was a clearly lower tender—$30 000 lower, and $30 000 lower than the valuation—accepted? Secondly, why was Silberg chosen? Thirdly, why did the Housing Commission enter into this strange guarantee? Fourthly, why was no pressure exerted by the commission on the performance by the builder, who was allowed to spend significantly more time than the contract specified? Fifthly, why was Silberg's suggested price accepted by the commission when it was clearly thousands of dollars above the amount suggested by the quantity surveyor of the Housing Commission? Finally, what was Alan Ashman's role in all this?

I turn now to the "Cross Street" land in Carlton, which is south of Lytton Street between Cardigan and Lygon streets. This land was purchased in 1960 for slum reclamation at a cost of $192 573. It was tendered for by Delgrange Investments Pty Ltd, which withdrew the tender on 6 October 1973. Evidence was given at the Gowans inquiry that the firm had run into difficulties and had withdrawn the tender and that because it felt embarrassed, it offered the Housing Commission the Pakenham land. That is what the transcript of the Gowans inquiry shows. The Government fell into one bad investment when the fellow went bad, so it bought the Pakenham land from him! It is an amazing series of related purchases over a long time.

On 6 July 1976, three years after the original tender with withdrawn, Miller wrote a memo to Ashman on the history of the site, because some development had accrued in those years. Delgrange Investments Pty Ltd withdrew its tender.

Five others were asked to tender, and tenders closed on 4 December 1974. Three tenders were received—from Kaiser Aetna Australia Pty Ltd for $247 000; from the University of Melbourne for $200 000, and from Martin Adams Industries, $198 000. On 28 May 1974, the university increased its tender to $245 000, and the Housing Commission accepted that on 3 June. The university had intended to use the land for student accommodation, but because of cuts in funds for capital works that

could not be done, and on 24 February 1976 the university cancelled its tender because of lack of funds. Not a great deal has been done since then.

The people of Carlton had been thrown out of their homes, and a decade later no development has yet taken place. The land was compulsorily acquired at bargain basement prices by a "bomb site" method. After the cancellation, discussions were held with the developers and they showed an interest. Breschi Constructions was prepared to go ahead with the university plan; S. and H. Gromb, of Langdon Road, North Caulfield, wanted to build flats to their own design, and Mr Silberg of Damian Builders Pty Ltd was happy with either his own design or that of the university. An interesting and significant matter that occurred here and which is not mentioned on the Housing Commission's file or on any file or information that the Opposition has been able to obtain from official sources, but which certainly seems correct, is that after the university surrendered the land it was still interested, as the Minister can imagine, because it was next to a development of its own that it had already constructed.

When the matter was again put to tender in August or September the university discussed the matter with Breschi Constructions and a firm of architectural consultants who proposed a self-financing scheme so that university funds would not be required. However, unknown to Breschi Constructions and the consultants, at least until afterwards, the university had been approached by another builder, Mr Silberg of Damian Builders. There was nothing wrong with that approach except that Mr Silberg was taken up to the university and introduced by Mr Alan Ashman, the Deputy Chairman of the Housing Commission, who informed the university officers that the Housing Commission would look favourably on a university–Silberg arrangement. This was at a time when tenders had been called and it was presumably a matter for the various people to put their proposals together and present them to the commission.

One of the people who would make the decision was not at arm's length from the builders, advising them all equally; he was promoting and touting a proposal that one of the builders had to the University of Melbourne and was discussing it with university representatives.

This is the Alan Ashman of whom Mr Hanlon, counsel assisting the Royal Commission, said last Friday at the hearing:

> We would say Mr Ashman has deliberately misled this Royal Commission about a series of matters, and so has Mr Preece.

There is quite a deal of evidence about that and, as the honorable member for Niddrie says by interjection, it has been reopened for the third time.

On 16 July a valuation of $233 000 was carried out by Morey; a guide was then issued to prospective tenderers, and Breschi, Gromb and Damian were invited to tender.

On 7 September, 1976 Mr Silberg said:

> The company is currently developing the property at the corner of Lytton and Lygon Streets and due to the major capital costs involved and the substantial number of units being developed, any sale of land now offered to another developer would create competition.

He offered $200 000 in progressive payments—10 per cent down and the balance to be paid within two years. Gromb proposed the development of town houses and flats at a cost of $245 000, and Breschi suggested $231 000—only $2000 below the valuation by Morey.

On 1 October 1976, the senior architect, J. Lazarevic, made his report and recommendation, which stated:

> On the basis of general planning concept and approach the proposal by Breschi Constructions is recommended.

Also on 1 October 1976, Miller's notes on conversations with the senior architect read:

> The scheme presented by Breschi is the most acceptable over all and allows greater scope for improvement.

Both Breschi and Silberg were prepared to pay up to the Valuer-General's valuation, according to the note. On 4 October 1976 at a Housing Commission meeting under "matters considered by

the deputy director" was the land at "Cross Street". The proposals were considered, and subject to the Minister's consent, the sale of the subject land to Damian Builders at the Valuer-General's valuation of $233 000 was approved.

On 7 October an offer was made to Silberg. There are a number of questions that need to be put. Firstly, why was the lowest tender chosen; secondly, why was the best tender not chosen; thirdly, why were the other tenderers told that they had not been successful before Silberg had agreed to pay the $233 000; fourthly, why was Breschi Constructions not also asked to increase its bid by $2000; fifthly, what is the involvement of Ashman in the matter?

Mr Dixon—Can you tell me where you got all that information?

Mr ROPER—I certainly will.

Mr Simpson—A lot of it is leaked.

Mr ROPER—That is true. There has been little action taken on the land. The building is still progressing. R. & M. Cardigan Developments, through a Mr Silberg and Mr Rogasky of Templestowe, are involved in the construction. Furthermore, the worst plan has been accepted.

In July 1978, Silberg modified his plans entirely two years after the plans had been accepted. On 31 July 1978 the memorandum from the chief architect to the property manager, on the proposed alteration to the plans, said, *inter alia:*

> We however recommend that the commission be informed that the original proposal has been changed in its entirety.

Presumably that was then agreed to by the commission. In all these deals there are questions that have to be investigated and answered. The Opposition tried to obtain the information in 1974 but the tabling of the document was refused. The Opposition again took up these specific deals in October 1978 and asked for the tabling of various files, but there was no response.

On 14 November 1978 during the motion for the adjournment of the sitting, the honorable member for Knox asked that the three files relating to these transactions be tabled in the Library. In reply, the Premier, as reported at page 5667 of *Hansard,* said that he would raise the matter with the Minister. The Minister answered the question on 21 November in the following terms:

> The files covering the land purchases will be made available for scrutiny by any honorable member in the office of the Housing Commission by appointment in line with the Premier's earlier undertaking.

There was difficulty in obtaining the files. On 23 November, the honorable member for Knox again raised the matter on the motion for the adjournment of the sitting, stating that he was having difficuly obtaining the files because they were not being made available and he was told they would not be made available for three weeks.

Mr Thompson, the Deputy Premier, said that he would again take up the matter with the Minister of Housing. As recorded at page 6412 of *Hansard* of 28 November 1978, the honorable member for Knox again raised the matter and stated that he had not been able to obtain the files. The Minister of Housing, Mr Hayes replied, *inter alia*:

> For my part, with respect to the Minister of Housing, the two files which interest the honorable member will be made available to him at an appropriate time in my office.

The Chairman of the Housing Commission went on and said that it would be a matter between the honorable member for Knox and himself and that the files would be made available on the Thursday. The files were not made available.

On 5 December 1978, the honorable member for Bundoora moved an adjournment motion for the purpose of discussing a matter of public importance on the availability of the files. The Speaker, after asking a question of the Leader of the House, Mr Thompson, ruled the matter out of order because there had been an opportunity of debating it on item 6 on the Notice Paper which concerned the Housing (Amendment) Bill. Indeed, the matter was raised, but it is important to note that the House was not able to make a determination about the files because the question before the House on that

occasion related to the Housing (Amendment) Bill. Because the House was not able to make a determination upon the question, the matter could be aired only by way of debate.

Finally, the files were made available on Friday 8 December 1978, the last day of the session just before midnight in the Library. The House met until 3.15 a.m. so that the only time honorable members had an opportunity of rushing with indecent haste through the files was between midnight and 3.15 a.m.

Mr Dixon—Which files did you receive?

Mr ROPER—The three files relating to the three transactions mentioned in the notice of motion. However, it was not possible to study the files with the closeness and carefulness required and the files were then pulled out of the Library the following week.

Mr Dixon—When were the files taken out of the Library?

Mr ROPER—They were taken out first thing on the morning of the twelfth, which was the Tuesday. As any honorable member would appreciate, after the last week of the last sessional period, honorable members were not going to tumble in here on the Monday morning to look at the files. Therefore, honorable members effectively had only three hours in which to examine the files.

On 14th June of this year I again asked the Minister of Housing about the files and the Minister asked me to put the question on notice. I regarded that as unsatisfactory, given the state of the Notice Paper, and wrote to the Minister on 14 June stating that I would raise the matter on the motion for the adjournment of a sitting. When I did so, the Minister said that he would raise the issue with officers of his department and he would have the matter investigated. The Minister stated that the process had already begun and he would inform me accordingly of the results. I have never been informed of the results of this investigation.

On 19 June I again asked a question relating to Inge Brothers and the Minister asked me to put the question on the Notice Paper. On 20 June I again asked a question concerning the Carlton land and the Minister replied that his investigation was still proceeding. On 28 June I asked a question concerning Damian Builders and the Minister replied that the matter was still under his investigation. On 5 July I again asked the question and the Minister replied that the matter was still under his investigation.

Last week I asked a further question, as did the honorable member for Ascot Vale. I asked the Minister how his investigation was proceeding and the Minister replied:

> Put it on notice.

That was the Minister's reply five months after the matter was first raised in the House. I then wrote again.

Mr Simpson—The Minister is a slower reader than the honorable member for Wantirna.

Mr ROPER—Certainly, and the Minister does not have the same problem of getting 100 files off to the police for an investigation and a Royal Commission. There is no sense of urgency on the Minister's part about the matter. The Minister finally responded when earlier this week, I received an acknowledgment of my letter of 28 November.

The Opposition has tried on many occasions to obtain information and to have the matter investigated. The matter has been deliberately excluded from the Royal Commission's terms of reference and I use that word "deliberately" and advisedly. The matter has been deliberately excluded from the Royal Commission's terms of reference which relate only to purchases by the Housing Commission, not to sales by the commission. The only means by which the House can determine the facts of the matter lie in the House using its own powers to conduct an inquiry. The House should set up an inquiry which would examine and report back to the House and recommend appropriate action. The House can then determine what action should be taken.

The proper course of action would be for the House to determine that the matter should be investigated. The Minister has had his opportunity; the Government has also had its opportunity, but neither has taken it up. Without such an inquiry, there is no means by which the House can decide upon the matter. For that reason, I commend the motion to the House.

Mr DIXON (Minister of Housing)—I have some sympathy with the motion moved by the Opposition but the Government rejects the motion for reasons which I shall give. When I became Minister of Housing I was confronted with a range of transactions which had been undertaken and some of those transactions I found to be completely unsatisfactory.

The House is well aware of what has subsequently emerged as a result of that and of the Government's decision to set up a Royal Commission into land purchases by the Housing Commission. The Government gave consideration to whether the word "sale" should be included in the terms of reference of the commission, but decided against its inclusion on the grounds that, if what may yet emerge did emerge, a commission or a court would be able to proceed on the grounds that it already had some 100 transactions to explore. Notwithstanding that, I have looked in particular at one of the transactions referred to by the honorable member for Brunswick and I found that transaction, which involves Mr Silberg, to be a transaction about which I was very uneasy. I therefore referred that matter—indeed, I referred two transactions concerning Mr Silberg—to the police on matters which have still not been mentioned in this House. Nor do I propose to mention them because they are matters which are potentially so serious that I ought not to mention them unless in some way they can be validated.

The files were received by Detective Chief Inspector Baker on 26 July 1979. The Government has been asking for a conclusion to that investigation, but that has not been possible.

Mr Crabb—I would like to see the terms of reference.

Mr DIXON—I am saying that I referred the two matters to Detective Chief Inspector Baker.

Mr Crabb—The same Detective Chief Inspector Baker who is working for the Royal Commission?

Mr DIXON—It is the same Detective Chief Inspector Baker, exactly. Perhaps not surprisingly, because of the work that he has been involved on together with Detective Chief Inspector Gooding, it has not been possible for him to issue a report to the Chief Commissioner of Police, the Minister for Police and Emergency Services or myself. I have discussed the matter with Chief Inspector Baker who believes he has reached the stage in his investigations where the proper course would be to refer this matter to the Royal Commission to enable it to be seen in its full context. If the Royal Commission accepts that view, the Government will alter the terms of reference to enable the Royal Commission to investigate transactions relating to Damian Builders Pty Ltd and to Cardigan Developments Pty Ltd. I believe that is the appropriate course.

The Inge Brothers transaction has been under investigation within the Ministry of Housing itself. It has not been referred to the police and at present I see no reason to refer it to the police. I am prepared, however, to ask for a further investigation within my own Ministry to examine the matters raised by the honorable member and to review matters which have been or which are to be raised in this debate with a view to giving further consideration to them. However, at this stage I see no reason why the Inge Brothers transaction ought to be referred to any committee of this House.

The honorable member for Knox draws in his breath as if to suggest that he sees some reason for referring it to some committee.

Mr Crabb—I do.

Mr DIXON—The honorable member is entitled to that view. All I can say is that this transaction has been subject to much surveillance. It has been

subject to perusal by honorable members on the Opposition benches.

Mr Roper—Very briefly.

Mr DIXON—It has been subject to perusal by those honorable members, it has been subject to perusal by my officers and, recently, by myself.

Mr Simpson—The Royal Commission gets a lot more, though.

Mr DIXON—I accept that. On evidence available to me from my officers and from my own perusal of the file, I am not prepared to make that file available to the Royal Commission, because that in itself is an important step. I hope honorable members will bear in mind the importance of this matter; if one is to take the step of referring a matter such as this to a Royal Commission when it is, in a sense, a "one off" choice, it ought to be a matter which is sufficiently serious to be referred to the Royal Commission.

I want to make this perfectly clear: If, in the context of the Royal Commission, there were any suggested link between what might or might not have occurred with files already available to the Royal Commission and the Inge Bros. transaction, the file dealing with that transaction would immediately be made available to the Royal Commission. I have said publicly, and I say again in this House, that any matter required by way of support by the Ministry of Housing to the Royal Commission will be made available immediately. I stress that I regard it as a serious matter to specifically refer a transaction to the Royal Commission.

Mr Simpson—They have 117 already, Mr Minister.

Mr DIXON—That is so; and the way that was done, in relation to land purchases, was made perfectly clear. There were some significant transactions, some of which had been adverted to in this House, but they needed to be seen in the full context. In the light of all the matters I have previously mentioned, the Government decided that the Royal Commission should concern itself with purchases. These three transactions now raised are sales. I have already referred two of them to the police and I believe it is now appropriate, after conferring with Detective Chief Inspector Baker, that those files should be handed over to the Royal Commission. I am still prepared to have further investigations undertaken in respect to the Inge Brothers transaction. For those reasons the Government rejects the motion but will undertake the action I have outlined.

Mr CATHIE (Carrum)—The Minister of Housing has accepted the basis of the Opposition's case and it appears to become now an argument as to who should carry out the investigation into three land sales referred to by the honorable member for Brunswick. The Minister now tells the House that he has examined these transactions carefully and that he feels very uneasy—those were his words, "very uneasy"—about two of them, that is, those in which Mr Silberg was concerned, and that on 26 July 1979 the files relating to these transactions were referred to the Victoria Police.

Mr Dixon—They were received by the police on that date.

Mr CATHIE—They were received by the police, as a result of being referred by the Minister, on that date. Since that date he has been asking for completion of the investigation. However, I note that the policeman in charge of this investigation, Detective Chief Inspector Baker, has been busy with his work load at the Royal Commission and its current investigations.

I accept that the Minister may well come to the conclusion—he certainly indicated it as a strong possibility—that he should refer these two transactions to the Royal Commission and that, if necessary, the terms of reference of that inquiry will be altered.

Mr Ross-Edwards—Have the files relating to the transactions in which Mr Silberg was involved been referred to the Royal Commission?

Mr CATHIE—No. They are currently excluded by the terms of reference drawn up for the Royal Commission. On the third transaction, the Inge Brothers transaction, the Minister has told the House that the matter has been investigated by the Housing Commis-

sion. He has given the House no detail and no understanding of what the result of those investigations has been or of what he has discovered, except that, presumably, he does not put this transaction in the same category as the other two.

Mr Dixon—The matters which have been discovered have been raised by the honorable member for Brunswick.

Mr CATHIE—Exactly. What has been given to the House is what the investigation has indicated and the honorable member for Brunswick suggests the need for a proper investigation. That is all that the Opposition is asking for, but it points out that at this stage the Royal Commission has an enormous work load in front of it. The Government will have to extend the date by which the commission has to complete its report. That is understood and accepted by everyone involved in the inquiry and, in view of that, there is no reason why the House cannot set up a Select Committee to undertake the inquiry proposed in the motion. As the honorable member for Brunswick pointed out, only a reasonably limited area requires investigation and it could be undertaken at this level and a conclusion reached without having to wait many months or even next year before the results of the Royal Commission are known. A Select Committee has the same powers of investigation for hearing evidence as a Royal Commission.

Some general points should be made on the transactions outlined by the honorable member for Brunswick. I refer to a maxim which I understand was stated by Alex Ramsay when he was General-Manager of the South Australian Housing Trust. He commented that competition between the public sector and the private sector in housing meant the private sector kept the public sector efficient and the public sector kept the private sector honest.

The first discussion paper produced by the Ministry of Housing as part of the task force on housing policy review leading to the Green Paper commented on the maxim of Alex Ramsay and stated that recent events may have removed that rationale in Victoria. Indeed, recent events have revealed it is not happening in Victoria as the public sector has not become efficient and the private sector has not become honest. There would not have been the Gowans inquiry or the Royal Commission if the position had been otherwise.

What has been experienced in Victoria is a series of sweetheart arrangements which have led to police investigations in an ever-widening circle of maladministration of land deals and scandals and transactions undertaken by the Government. There is a long history of waste and neglect which is best illustrated by the Gowans inquiry, the Royal Commission, the Wodonga Area Land Acquisition (Validation) Bill, which is yet to be debated in the House, the Keysborough land transactions of the Trotting Control Board—there appears a seemingly endless list under this Government of ineptitude, wasteful, incompetent administration and management. The whole maladministration is governed by the sweetheart agreements which have been made with favoured friends involved in particular transactions.

The Minister promised to investigate the file and honorable members have heard the result of that investigation this morning. For a long time there was a refusal by a succession of Ministers of Housing to make the files and relevant documents available so honorable members could peruse them and come to their own conclusions. Honorable members have heard of deals with absolutely no risk to the builder; the good old State of Victoria will be the Father Christmas and will cover any losses that the builders may face. In the case of Inge Brothers, a guaranteed interest rate of 7 per cent was applicable. Even the Minister of Housing, in dealing with the Commonwealth–State Housing Agreement, referred to escalating interest rates being pushed on to low income families and the fact that rates were going higher, and eventually the Minister accepted a rate of 8 per cent, although the document refers to interest rate of 10 per cent. In this case a builder has a guaranteed interest rate of 7 per cent applicable over a long

period. I do not know how the Victorian Government justifies that type of business procedure.

The second major point in relation to the three transactions is that in every case the professional advice of the technical experts was ignored and overruled by a higher authority in the Housing Commission and authorized by the Minister in each case.

In the case of the Lytton Street, Carlton, land, a tender was received from Silberg Builders. The quantity surveyor of the Housing Commission referred to the values and suggested that for a three-bedroom flat the cost would be $61 215, for a two-bedroom flat, $38 889 and for a one-bedroom flat, $34 568. Six months later, Silberg Builders came along with the second offer which was higher than his first offer. On this occasion the prices were $67 000, $42 000 and $39 500 respectively. There then followed the recommendation of Mr Ashman that that offer be accepted.

There is a substantial difference between the tender and what the experts or the valuers proposed to the Housing Commission. The Housing Commission's quantity surveyor suggested that there were thousands of dollars difference but what did the Housing Commission do? It did not make its recommendation in accordance with the advice it had received from the experts, and I should imagine that that is the matter which is currently being investigated.

In the case of Inge Brothers, the Chief Architect of the Housing Commission did not recommend the Inge Brothers tender; he recommended Brown as the best developer.

Mr Ross-Edwards—There was not much difference in price.

Mr CATHIE—I agree that there was not much difference, but later the Secretary of the Housing Commission, Mr Bohn, wrote to Inge Brothers expressing his deep concern at the lack of progress. That indicates once again that the benefits of the Inge Brothers agreement had been very much one-sided.

The third case relates to Cross Street, Carlton, and covers land south of Lytton Street between Cardigan and Lygon streets. The senior architect's report and recommendation was made on 1 October 1976. The recommendation was:

> On the basis of general planning, concept and approach, the proposal by Breschi Constructions is recommended.

That was the extent of the expert technical advice given to the relevant officers in the Housing Commission of Victoria and later, a senior Housing Commission officer, Mr Miller, made a note that the scheme presented by Breschi was the most acceptable overall and that it allowed greater scope for improvement, but that firm did not get the contract. That is the type of activity and favoured treatment given in sweetheart agreements which illustrates the poor, neglectful, wasteful, and inadequate administration in this State.

Perhaps I should go back and look at what is supposedly happening with the Housing Commission of Victoria. There has been a long sequence of agreements negotiated between the State and the Commonwealth and known as the Commonwealth–State housing agreements. Those agreements were originally designed to provide low rental housing. The first agreement was introduced by the then Minister for Post-War Reconstruction, Mr Dedman, who argued this at the time:

> The principal deficiency in Australian housing policy to date has been in respect of good standard houses to be let at rents within the capacity to pay, to families who cannot afford, who are not ready, or on account of their occupations, do not desire to purchase a home.

Mr DIXON (Minister of Housing)—The point of order I raise is that the terms of the motion are specific. The motion seeks an inquiry and points to a number of specific transactions, but I believe the honorable member for Carrum is now going into a series of generalizations concerning matters associated with welfare housing and which are not specific to those transactions.

Mr CATHIE (Carrum)—On the point of order, I am simply arguing on the basis that what honorable members are

supposed to be doing is informing the House relating to the purchase of homes by the Housing Commission which has an aim or a policy to assist low income families. I am directing my remarks to that area, by making a series of comments in relation to the three cases outlined by the honorable member for Brunswick.

The DEPUTY SPEAKER (Mr A. T. Evans)—Order! I uphold the point of order, and ask the honorable member for Carrum to confine his remarks to the actual motion.

Mr CATHIE—The Opposition is asking for a Select Committee of six members to inquiry into and report upon all aspects of the Housing Commission transactions. I am currently putting an argument in favour of that proposition by pointing out that in the case of these transactions, instead of being able to offer to low-income families and others in the community a rental——

The DEPUTY SPEAKER—I do not uphold that point of order. There will be many opportunities for the honorable member to speak on the broader aspects of the Housing Commission and, particularly, on welfare housing. I ask him to confine his remarks to the motion. He read the words, "to inquire into all aspects of Housing Commission transactions". He then ceased quoting but the motion continues to list specific housing projects. I ask the honorable member to confine his remarks more closely to the projects mentioned in the motion.

Mr CATHIE—I have already referred to the recommendation of Mr Ashman, which was accepted by the Housing Commission of Victoria in the case of the land along Lytton Street, Carlton, between Cardigan Street and Lygon Street. I indicated that the cost of a three-bedroom flat was estimated at $67 000; the cost of a two-bedroom flat was estimated at $42 000; and the cost of a one-bedroom flat was estimated at $39 500. I followed that by pointing out that at the end of last year, after an inspection, the flats were put on sale on vendor terms at 12 per cent interest at $75 000, $48 000 and $45 000 respectively. People entering into a rental agreement were facing rents of $120, $85 and $75 a week respectively.

In June 1975, when the flats were again inspected, it was found that two-bedroom flats were available at $85 a week. How is it possible for a low-income family to afford a rental of between $75 and $120 a week?

The DEPUTY SPEAKER (Mr A. T. Evans)—Do I understand the honorable member to be debating my ruling?

Mr CATHIE—No, Sir.

The DEPUTY SPEAKER—I ask the honorable member to abide by the direction of the Chair.

Mr CATHIE—Members of the Opposition have suggested four grounds on which there should be an investigation. They have proposed that the investigation would best be undertaken by a Select Committee of this House. The first of the four grounds was the suggestion of possible corruption. It has perhaps been accepted by the Minister that the possibility exists as he has referred at least two of these transactions to the Victoria Police.

The second ground for the investigation is the general incompetence of the Government that somehow becomes involved in these deals and transactions. That leads to the third ground of favouritism and sweetheart agreements with particular builders. The final ground is the failure to table the files for a long period, resulting in a cover-up.

I support the motion by the honorable member for Brunswick calling for this House to support the appointment of a Select Committee.

Mr ROSS-EDWARDS (Leader of the National Party)—Firstly, I commend the honorable member for Brunswick for raising these matters which are of concern to all honorable members. I am always worried when the House has to debate what are in fact charges against certain people who have not the opportunity of defending themselves. However good the prima facie case may be, it is against natural justice to make a judgment without giving the persons involved the opportunity of replying. I

am also concerned about setting up a Parliamentary committee when a Royal Commission is at present hearing evidence about Housing Commission purchases and Housing Commission dealings. There seems to be no point in a Parliamentary committee and a Royal Commission operating side by side. If a Royal Commission were not inquiring into these matters, it would be necessary to consider seriously the appointment of a Select Committee.

The Opposition has succeeded in achieving what it set out to do. It has obtained from the Minister an undertaking that the terms of reference of the Royal Commission will be altered before the Parliament rises to enable two of these matters to be referred to the Royal Commission forthwith. Any further comment from me on those two matters would be wrong and unnecessary.

On the third matter, I have an undertaking from the Minister of Housing that the investigation into the allegations concerning Inge Brothers will be expedited and that he will make a statement to the House when Parliament resumes in the autumn. At that stage the Royal Commission will still be hearing evidence, and honorable members will have the opportunity of debating the Minister's statement if necessary. If the Minister does not see fit to take any action, the Opposition can take what steps it believes necessary in the circumstances. The Opposition has achieved what it set out to achieve, and the right and proper course has been taken by the Minister.

The other matter that is relevant to this debate is that the administration of the Housing Commission is still causing grave concern, not only to members of Parliament but also to the people of Victoria. This extends back through the Dickie administration and the Hayes administration to the administration of the present Minister of Housing. The Government has not really grasped the fact that the situation at the Housing Commission is extremely serious. There should be a full-time Minister of Housing. If anything has become increasingly obvious, it is that Victoria needs a full-time Minister of Housing to be available every day to take personal control.

I do not say that as a criticism of the present Minister of Housing, because the housing portfolio is completely different from the administration of a department that is running well. I call on the Government to allow the present Minister to continue as Minister of Housing, to take from him his responsibilities as Minister for Youth, Sport and Recreation and to reallocate Cabinet positions. At present the Minister of Immigration and Ethnic Affairs has virtually nothing to do and the Minister of Housing is overworked. From the point of view of sheer time the Minister of Housing cannot give to the Housing Commission the attention that is needed. I am not suggesting that the Minister of Immigration and Ethnic Affairs would be a suitable Minister for Youth, Sport and Recreation, but every member in the Cabinet should be capable of taking a major portfolio. It is not fair to the present Minister of Housing and it is not in the best interests of Victorians that the Housing Commission is in an explosive situation.

The Minister of Housing will realize that until recently the matters in question had occurred before he actually became Minister. However, from now on the matters under consideration will have taken place during his term of administration; the Minister has held the portfolio for six months and is beginning to put his imprint on the department. He has a serious responsibility. I call on the Government, and I am sure I have the support of the Opposition and probably of many Government supporters, to make the housing portfolio a full-time job and to allocate the responsibilities for youth, sport and recreation and youth affairs to another Minister.

For those reasons, the National Party does not intend to support the motion. I commend the Opposition for moving the motion, but the action taken by the Minister and the promise made about the Inge Brothers transaction satisfy the National Party.

Mr CRABB (Knox)—The Opposition is certainly pleased that the Minister of Housing has expressed some sympathy with the motion. It is the first sign of sympathy the Opposition has received on this matter and, for that if for no other reason, it is welcome. However, the Minister said he would reject the motion and that he did so for a number of reasons. The honorable gentleman did not then give any reasons for rejecting it.

Mr Ross-Edwards—Yes he did.

Mr CRABB—I do not believe he did. He said he would refer the two Carlton transactions to the Royal Commission. Perhaps a number of my colleagues and I are a little more closely in touch with what is happening at the Royal Commission than the Leader of the National Party, who is interjecting. Until a few days ago there was no contemplation of extending the terms of reference of the commission.

Mr Ross-Edwards—The Minister has agreed to what you wanted, if you listened to him.

Mr CRABB—I am happy about that but the terms of reference have not been changed as yet.

Mr Ross-Edwards—He promised to do it before the House gets up.

Mr CRABB—That may be. I shall be pleased when it happens. The Minister said he was unsure about the two transactions in Carlton and had referred them to the police and will now refer them to the Royal Commission. The police have been aware of those matters since July and I gather, not only from the Minister but also from the police, that they have not carried out any investigations into the matters because they were instructed not to do so as those matters were outside the terms of reference of the Royal Commission. Both Detective Chief Inspector Baker and Detective Goodings are limited in carrying out investigations to those matters that come within the terms of reference. Another group of policemen are pursuing matters outside the terms of reference, but they have not been mentioned in this regard.

The Minister has not yet seen fit to refer to the police the third transaction, the one involving Inge Brothers. He said that he had had an internal investigation conducted within the Ministry and found no evidence to cause him alarm. That is a peculiar statement and it leads me to have some doubts about the intensity with which the honorable gentleman and his officers have investigated the transaction.

From the extremely detailed submission put forward by the honorable member for Brunswick—on which he was complimented by honorable members from all sides of the House—it is clear that the Inge Brothers deal in North Melbourne was pretty peculiar. The Housing Commission not only gave the company extended terms for payment over and again and failed to collect the money owed to it, but also effectively lent Inge Bros $2 million. It lent that amount to a company that could not afford to pay its debts. In the commercial world, anyone who knows that a company is in difficulty and cannot pay its debts and who then lends the company money is facing embarrassment when he tries to obtain repayment of the loan after a liquidator or receiver has been appointed.

There are other matters for concern in the Inge Brothers transaction of which the Minister was not aware until I spoke to him a few moments ago. That reveals than any examination of the transaction must have been remarkably cursory. The matter ought to have been referred to the police long before now. It is not good enough for the Minister to say that he will think about it during the Parliamentary recess. I had thought the Opposition had fulfilled its responsibilities when it gave the police who were investigating the various transactions all of the information it had obtained. It now appears that that information was not transmitted to the Minister, so the Opposition will now have to go through the exercise again and provide the Minister with all of the information it has been able to glean on the North Melbourne transaction and perhaps the Carlton transactions.

I return to the Carlton land. The matter was initially brought to the attention of members of the Opposition when we became aware that Mr Breschi had made a complaint to the Housing Commission. He believed he had been unfairly treated in not obtaining the tender although he had offered the best price. Members of the Opposition were told that an investigation had been conducted within the Housing Commission and that a cover-up or a whitewash job had been done.

In an endeavour to check the veracity of those statements, which was fairly difficult, I first phoned Mr Breschi. I clearly recall his informing me that he had never complained about the matter. As it turned out, that was a lie, because when the Director of Housing, Mr Allwinton, eventually got around to commenting in the newspapers and on television he said that Mr Breschi had complained and an investigation had been conducted, and that when it had all been explained to Mr Breschi he was happy and content.

That was the second story. At first Mr Breschi had told me a lie and had said that he had not complained. Then Mr Allwinton told the world that Mr Breschi had complained and had been satisfied.

Mr Ross-Edwards—You are wandering a bit.

Mr CRABB—I am not wandering. This is precisely the point. This is why the matter is being debated by Parliament. It has not been brought before Parliament because of anything the National Party has done, that is for sure!

The Opposition is thankful that at long last—and the Opposition has been asking questions about these transactions since 1974—the Government has decided that an open, public investigation ought to be conducted into two of them. I trust that the Minister, when he has heard all the evidence the Opposition has already provided to the police, will agree that the third transaction should also be referred to the police.

Honorable members ought not to be taking the Minister entirely at face value about the terms of reference and if the terms of reference are not changed it may well be necessary to bring this matter back before Parliament. These matters have been in and out of the House like a fiddler's elbow during the past few years. I should not want to debate them again, although I do not mind debating land deals time and again. The McArthur Park transaction must have been debated on at least six occasions. However, I am sure that neither the Government nor the National Party wants to go through the arguments about the O'Shannassy Street land yet again. Therefore, I suggest that the quicker the Government has the investigation carried out properly, the better.

Mr FORDHAM (Footscray)—In view of the circumstances outlined by the Minister, the magnificent case put forward by my colleague, the honorable member for Brunswick, and the comments made on behalf of the National Party, I move:

That the debate be now adjourned.

The motion for the adjournment of the debate was agreed to, and it was ordered that the debate be adjourned until next day.

The sitting was suspended at 12.58 *p.m. until* 2.3 *p.m.*

COUNTY COURT (JURISDICTION) BILL

Mr MACLELLAN (Minister of Transport)—I move:

That this Bill be now read a second time.

Its purpose is to increase the monetary limits upon the common law jurisdiction of the County Court.

Section 37 (1) (*a*) of the County Court Act 1958 at present limits the common law jurisdiction of the court to $12 000 in personal injury claims and to $6000 in other cases. These limits came into operation on 9 May 1972, and it is proposed to increase them to $25 000 and $12 000 respectively.

The proposed increases will preserve substantially the relation between the limits in the existing provision, and they also reflect the change in money value since May 1972.

Honorable members will recall that legislation to increase the civil jurisdiction of Magistrates Courts was introducer earlier this year, and it is expected

to reduce significantly the number of civil actions, other than personal injury actions, in the County Court. It is desirable that the relationship between the civil jurisdictions of the County Court and of Magistrates Courts be maintained as in the past, and the Government believes the Bill will achieve that result. I commend the Bill to the House.

Mr CAIN (Bundoora)—The members of the Opposition do not oppose this measure. We believe it is simply keeping up with the change in value of money. As indicated in the Minister's speech, the last adjustment with respect to limits of the County Court jurisdiction was in 1972. It should be said, however, if the courts are to have an additional work cast upon them, they ought to have the facilities and capacity to handle matters of this consequence, as does the Supreme Court. I refer to the provision in the County Court of shorthand notes for the parties during the course of a trial. The matters that will now come before the County Court are claims for personal injuries up to $25 000. That is a considerable amount, and considerable issues of law and fact are involved.

When matters of more consequence come before the County Court, increasingly the parties' legal advisers and judges will be taking longhand notes, and this will slow down cases of this kind.

I direct to the Minister of Transport the suggestion that urgent consideration be given to making provision in the County Courts for shorthand writers. Although this will involve an initial cost, in the long term it will save the parties and the State considerable sums of money.

It can also be said that claims up to $12 000, other than personal injury matters, perhaps commercial matters, will also justify the presence of shorthand writers because complex matters of law are involved, and there is the prospect of an appeal when those cases get into the range of $12 000 and $25 000.

While supporting the measure, the Opposition urges that that provision of shorthand writers be given urgent consideration to enable the courts to function as they should. The Labor Party does not offer any opposition to the Bill.

Mr WHITING (Mildura)—The previous limits came into operation in 1972, and inflation has increased considerably since that time. The National Party supports this Bill.

Mr MACLELLAN (Minister of Transport)—I will direct the remarks of the honorable member for Bundoora to the attention of the Attorney-General. I know that those comments have been made before and I will attempt, as far as I can, to reinforce the comments in an attempt to get those facilities improved at the County Courts, with this new and added responsibility.

The motion was agreed to.

The Bill was read a second time and, by leave, the House proceeded to the third reading.

Mr MACLELLAN (Minister of Transport)—I move:

That this Bill be now read a third time.

Mr MILLER (Prahran)—I endorse and support the comments made by the honorable member for Bundoora concerning the lack of shorthand writers in the County Court, particularly when one considers the substantial increase in jurisdiction that this Bill proposes. It will double the civil jurisdiction from $6000 to $12 000.

It can be seen very clearly that substantial points of law may arise and, as a result of that, it behoves the courts to have shorthand writers to take verbatim notes of what is said, This will protect and assist not only judges but all people who appear before the court, as well as counsel and witnesses.

I had occasion earlier this year to draw to the attention of the Minister, representing the Attorney-General, the lack of shorthand writers in cases involving the Commonwealth, and a judge quite properly said that he would not hear the case unless shorthand writers were provided. As a result, a direction was given by the Chief Judge of the County Court and shorthand writers were provided in that case, but it is a sorry plight when shorthand writers are

not provided in cases such as the one I mentioned. This applies particularly now that monetary limits of the jurisdiction of the County Court in personal injury cases is being extended to $25 000. It is a substantial increase, but obviously it reflects the significant increase in the claims that individuals may make for personal injury cases.

As a mild criticism of the Government's presentation of the Bill I point out that the measure should have been presented together with the Magistrates Courts (Civil Jurisdiction) Bill, which significantly increases the jurisdiction of that court. The jurisdictional limits of the Magistrates Court have been almost doubled, and the two measures taken as a package make very good sense. I commend the Bill to the House.

The motion was agreed to, and the Bill was read a third time.

TRUSTEE COMPANIES (TRUSTEES EXECUTORS) BILL

Mr MACLELLAN (Minister of Transport)—I move:

That this Bill be now read a second time.

Its purpose is to amend the Trustee Companies Act 1958 to allow the Trustees Executors and Agency Company Ltd to vary its capital.

The Trustees Executors and Agency Company Ltd was incorporated in Victoria in 1878. A private Act subsequently conferred on the company power to be appointed and to act as executor of deceased estates and as administrator and trustee in certain other capacities. Amongst the provisions of the Act were restrictions with regard to the capital and shares of the company. These provisions are now contained in item 1 of the Second Schedule to the Trustee Companies Act 1958.

The capital structure of the company is rather more complicated than that of the other trustee companies referred to in the Second Schedule. When the company was incorporated, its capital consisted of 2500 shares of $10 each. On 8 December 1879 those shares were divided into 5000 shares of $5 and became known as "original shares". On the same date, the company was authorized by legislation to increase its authorized share capital to $1 million by the issue of additional shares of $5 each, known as "new series shares".

The present authorized capital of the company is, therefore, $1 million divided into 200 000 shares of $5 each. The nominal capital amounts to $800 000 consisting of 5000 original shares and 155 000 new series shares. As to the original shares, all 5000 are paid to $3 each with an uncalled amount of $2 a share. Of the new series shares, 55 000 are paid to $3 each, with an uncalled amount of $2 a share, and 100 000 are paid to $1, with an uncalled amount of $4 a share. The total amount uncalled is $520 000 and the total paid capital is $280 000.

As will be seen from item 1 of the Second Schedule to the Act, in the event of the company being wound up, the holders of both original shares and new shares are required to contribute $5 a share in addition to any uncalled amount then existing. Holding of shares is restricted to a limit of 500 shares—in the case of original shares, by the articles of association of the company, and in the case of new series shares, by the provisions of item 1 of the Second Schedule to the Act.

Clause 2 of the Bill proposes that item 1 of the Second Schedule to the Trustee Companies Act 1958 be amended as follows:

(*a*) It retains the present limit on the holding of shares that no member in his own right shall hold shares of a nominal amount which is in total more than one-two-hundredth part of the nominal amount of the issued capital of the company.

(*b*) It eliminates the existing restriction on the amount of authorized capital of the company.

(*c*) It varies the existing liability of shareholders to pay on winding-up the sum of $5 a share—in addition to any uncalled capital—by providing for payment of an amount in respect of each share calculated by dividing $1·4 million by the number of issued shares or stock units of the company. In effect, it creates a reserve liability of $1·4 million for

the protection of the beneficiaries of estates administered or managed by the company.

The Bill reconstructs the capital of the company and enables its balance-sheet to reflect more accurately the financial position of the company. I commend the Bill to the House.

The ACTING SPEAKER (Mr Birrell)—The Speaker has examined this Bill, and is of the opinion that it is a private Bill.

Mr MACLELLAN (Minister of Transport)—By leave, I move:

That all the Private Bill Standing Orders except those relating to the payment of fees be dispensed with, and that this Bill be treated as a public Bill.

The motion was agreed to.

Mr MILLER (Prahran)—As the Minister indicated in his speech, the purpose of the Bill is to reconstruct the capital of the Trustees Executors and Agency Co. Ltd, which is over 100 years old. The company has made a distinguished contribution to the life of the State of Victoria, not only in the administration of estates but also by providing advice and assistance to widows and persons affected by family bereavement.

In essence this is a simple Bill which has three main purposes. The principal purpose is to retain the limit on the holding of shares so that the company cannot be taken over or acquired. No person in his own right would be able to hold shares of a nominal amount which total more than one-two-hundredth part of the nominal capital of the company, which is $800 000. The authorized share capital of the company is $1 million.

It is also significant that this is an under-capitalized company as its total paid-up capital is just over $250 000–$280 000. The company would have been a ripe plum ready to be picked by a corporate raider. The provisions of clause 2 would clearly prevent that from happening.

The second major purpose of the Bill is to eliminate the existing restrictions on the amount of authorized capital of the company. It will be able to increase its authorized capital and, given today's economic climate and the sorts of activities and enterprises in which the company engages and is responsible for, this makes good sense when one considers the history of the company, the nature of its share capital and how its original and other shares were allocated and distributed.

The third major purpose of the Bill is to vary the existing liability of shareholders. That proposition has the support of the Opposition which sees it in its historical context.

Mr ROSS-EDWARDS (Leader of the National Party)—The National Party supports this proposed legislation. The contents of the Bill were explained by the Minister and the honorable member for Prahran. Over recent years, as all honorable members know, similar legislation has been introduced to allow many trustee companies to adjust their capital structure. These measures have had the support of all the major parties because, as the honorable member for Prahran said, Victoria has been well served by its trustee companies.

An interesting aspect of the Bill, politically and economically, is that it contains an inbuilt protection to stop the company from being taken over or dominated by a corporate raider. Traditionally this company has been represented by a wide and well spread shareholding; the Bill ensures that that position will continue in the future.

The company has served the State well. Members of the National Party are delighted at the fact that this Bill is to be passed to ensure a stable future.

The motion was agreed to.

The Bill was read a second time, and passed through its remaining stages.

PERSONAL EXPLANATION

Mr WILKES (Leader of the Opposition)—I desire to make a personal explanation in relation to a statement made by the Treasurer this morning in answer to a question asked by the honorable member for Box Hill. The

Hansard pull suggests that Mr Thompson, the Minister for Police and Emergency Services, made this statement:

> Supposing the Leader of the Opposition had a fire in his office and rang the fire brigade; the answer at the other end of the telephone would be, "We are terribly sorry, Mr Wilkes; we know you will understand, but you happen to be in a Government building. If you rang from your home saying that a fire had broken out, we would take care of that, but as you are in your office we cannot help you". What an amazing situation that would be!

That could not be, Mr Acting Speaker, because I did what was invited of me by the honorable member for Box Hill, by interjection, and by others. I have contacted the secretary of the United Firefighters Union, Mr Len Hubbard, who informed me, and provided me with documented evidence, that there are no bans in existence at all. Irrespective of whether the buildings are Government buildings, private homes, wool sheds or whatever, there are no bans in existence.

Mr Burgin—It is just a threat.

Mr WILKES—There is no threat at all, Mr Acting Speaker. The union held a meeting on 3 December and decided to recommend to its executive a number of actions which could be taken. I may add that the placing of a ban on my office was not one of the actions recommended. The resolution passed at the meeting stated:

> We authorize the State Committee of Management to co-ordinate any required action in our efforts to oppose these amendments, such actions to include . . .

And they listed the actions the executive may take.

Mr THOMPSON (Treasurer)—On a point of order, Mr Acting Speaker, I query whether this is a personal explanation or an apology on behalf of the United Firefighters Union.

Mr FORDHAM (Footscray)—On the point of order, Mr Acting Speaker, when this matter was raised this morning the Deputy Premier with some relish kept pointing and referring to the Leader of the Opposition in his belief—obviously imagined—that the Leader of the Opposition was in some way involved. Under those circumstances the Leader of the Opposition has, not only a right, but a responsibility to make a personal explanation along the lines he is doing and doing very well.

The ACTING SPEAKER (Mr Birrell)—I inform the House that the Speaker has intimated to me that he has looked over the personal explanation and accepts it as valid.

Mr WILKES (Leader of the Opposition)—Mr Acting Speaker, I made this personal explanation—and I am not in the habit of making personal explanations, as the record will show—to ensure that people employed in this establishment are not at risk and are not considered to be at risk because of an irresponsible statement by the Treasurer at question time today. I made the explanation so that people who work in this establishment and, indeed, any honorable member, whatever his political party, are not at risk. If one were to accept what the Deputy Premier said, he implied that that was not the case.

In conclusion, the Deputy Premier knew, despite what he said this morning, that yesterday, Tuesday, at 10 a.m., the Minister of Labour and Industry telephoned the Secretary of the United Firefighters Union requesting him to meet with him in his office, together with two other officers of his union, to discuss the workers compensation amendments and the attitude of the union to those amendments. The Treasurer must have known that that meeting will take place today.

When the Treasurer makes statements like that, he ought to check his facts first. He ought not to carry on like a scaremonger frightening people around this place that they are at risk if a fire breaks out. I invite him now to test the situation and, if this place catches fire, to press a button and there will be more fire engines around here than there are competent Ministers.

TRUSTEE COMPANIES (AMENDMENT) BILL

Mr MACLELLAN (Minister of Transport)—I move:

> That this Bill be now read a second time.

On 4 December 1978 the Statute Law Revision Committee completed its report in relation to trustee companies.

The Statute Law Revision Committee was asked to examine a number of important issues relating to trustee companies: First, whether directors of trustee companies should have a statutory power to refuse transfers of shares; secondly, whether there should be statutory restrictions on shareholding in trustee companies; and thirdly, whether there should be a statutory restriction on trustee companies participating in real estate agency activities either directly or through separate subsidiary companies.

The Statute Law Revision Committee supported the specialized role of trustee companies in the community and expressed the view that the interests of persons beneficially interested in property held in trust or administered by statutory trustee companies are paramount. It further considered that the controls enacted in the original legislation are ineffective in present commercial conditions.

The committee was of the view that the Trustee Companies Act 1958 should be strengthened to give effect to Parliament's original intention of safeguarding the transactions of trustee companies. The report of the committee was subsequently considered by a sub-committee of the Chief Justice's Law Reform Committee. Some of the views and suggestions of the sub-committee are included in the Bill.

The Bill substantially implements two of the main aspects of the Statute Law Revision Committee report. However, it does not deal with the recommendations relating to statutory restrictions on shareholding in trustee companies. The Government is still examining this matter with a view to introducing legislation in the autumn session of Parliament.

I will now deal with specific aspects of the Bill. Clause 3 enables directors to refuse transfers of shares provided stipulated criteria are satisfied: namely, that the refusal is believed, on reasonable grounds, to be for the benefit of the trustee company, its members or a beneficiary of any estate administered by the company. The clause further provides for notification of a refusal to register to be given to the transferee. It also provides the transferee with a right of appeal against the directors' decision to a judge of the Supreme Court in chambers. These provisions substantially enact the recommendations of the Statute Law Revision Committee.

The Bill provides that no action for defamation will lie against a director of a trustee company arising from the consideration of a transfer or a notice of refusal. This protection was suggested by the Chief Justice's Law Reform Committee sub-committee. It was considered that the directors of trustee companies should not be fettered in their consideration of a transfer and that their deliberations should, therefore, be absolutely privileged.

Sub-clause (8) of clause 3 further links the powers of refusal which may be contained in the memorandum and articles of association of a trustee company with the statutory power of refusal already proposed. When seeking to apply any power of refusal under the memorandum and articles of association the directors will only be able to do so if the statutory criteria are satisfied. The other provisions relating to notice of refusal and right of appeal will also apply.

The Bill further embodies the recommendation of the Statute Law Revision Committee in relation to estate agency activities of trustee companies. At present, section 4 (2) of the Estate Agents Act 1958 provides that trustee companies are exempted from the requirement to obtain an estate agent's licence. However, the practice developed whereby most trustee companies formed separate subsidiary companies to act as real estate agents. The Government was asked to look into this matter by the Real Estate and Stock Institute of Victoria on the basis that possible conflicts of interest may occur where a subsidiary dealt with property which formed part of an estate administered by the parent trustee company. The matter was subsequently referred to the Statute Law Revision Committee for consideration.

It recommended that there should be no statutory restriction on trustee companies acting as licensed real estate agents through separate subsidiary companies formed to act solely as real estate agents. It was stated, further, that a subsidiary company, with appropriate consents, should be permitted to sell property managed by the parent trustee companies.

Clause 4 of the Bill provides that a subsidiary company may not perform any of the functions of an estate agent or receive any commission in respect of any property administered by the parent trustee company unless certain conditions are fulfilled. The first condition is that all beneficiaries of the relevant estate must be *sui juris*, that is, adults capable of managing their own affairs. Second, written consent must be obtained from the beneficiaries of the estate who may be reasonably located and who are interested in that particular property.

The remaining condition is that the subsidiary company must be a licensed estate agent. It is understood that the trustee companies as a matter of course already adopt this practice. The provision merely embodies in statutory form the present practice and ensures that no conflicts of interest can occur.

The Bill deals, therefore, with two main aspects of trustee companies, First, it enables directors of trustee companies to refuse transfers which would be contrary to the interests of the company, its members or the beneficiaries of estates it administers. Subject, of course, to appeal. This aspect of the Bill will contribute towards securing the traditional role of trustee companies in the community.

The second aspect of the Bill deals with the development of the real estate activities of trustee companies. The formation of subsidiary companies to act as licensed estate agents enables trustee companies to offer their clients a more comprehensive service. The Bill merely ensures that no conflicts of interest occur and this purpose in itself is consistent with the historical function of trustee companies. I commend the Bill to the House.

Mr Maclellan

Mr MILLER (Prahran)—Two major purposes are spelt out in the proposed amendment. I shall deal first with the second one which relates to the traditional historic functions of trustee companies. Those functions were fairly limited until twenty or 30 years ago when trustee companies became much more venturesome in their activities. They have been required to be more venturesome, subject, of course, to limitations imposed on them by legislation. As the Minister said in his second-reading speech, many have become heavily and actively involved in the buying and selling of real estate. In a number of instances they have set up subsidiary companies to act as licensed estate agents. This will and has enabled trustee companies to offer their clients fairly comprehensive services.

The Bill will not ensure that no conflicts of interest will arise. Probably no legislation could do that, but at least this is a step in the right direction as one of the principal purposes of the Bill is to ensure that conflicts of interest do not arise. I am concerned however, that conflicts of interest could occur between a trustee company which is administering an estate and one of its subsidiaries which is to sell real estate from the estate.

As the Minister said, the Bill is in line with the historical function of trustee companies. It makes sense to statutorily enshrine the particular activities of the companies in this legislative form and those proposals are supported by the Opposition.

I refer now to the functions and powers conferred by this Bill, particularly by the provisions of clause 3, upon trustee companies. As indicated, the amendments have received the support of two of the major law reform bodies in the State, the Chief Justice's Law Reform Committee and Parliament's own Statute Law Revision Committee. It is significant, highly important and most desirable that each of those two major law reform organizations have worked so closely and can be seen to have worked so closely in the prepara-

tion of reports that led to the preparation of the Bill. The result of the labours of those two bodies can be seen.

Clause 3 proposes a new section 25D of the principal Act which provides that directors of a trustee company may refuse to register a transfer of shares in that trustee company. Once again, attempts to take over trustee companies may be pre-empted and prevented by this provision. The rules of natural justice, however, are applied with certain modifications in this case in that the grounds which are to be set out by directors have to be sent by notice in writing to a person who wishes to obtain shares in a trustee company and, in addition, the directors must have reasonable grounds for refusing to register a share transfer. The notice must specify the ground for the refusal and that notice must be sent to the person to whom the refusal is made.

It is also significant that there is an appeal provision. Not only must the grounds for refusal be spelt out and articulated, but appeal provisions are provided in the Bill and the Supreme Court may hear appeals against a refusal to register a transfer of shares. The appeal is to a Judge of the Supreme Court in chambers. Sub-section six provides that the decision of the judge shall be final and without appeal. That is not wholly desirable as judges have been known to make mistakes. In my respectful view, it would have been more desirable that the option to appeal to a Full Court should have been open to an aggrieved person who considered he had valid and proper ground to appeal.

Mr Ross-Edwards—Lawyers are doing pretty well without a subsidy.

Mr MILLER—It is not like that with all lawyers. It is a simple proposition. Although there must be an end to litigation eventually, it is sometimes desirable to have three minds dealing with the one problem. I have been on the receiving end of good judgments and also on the receiving end of appalling ones. On appeal judges have invariably corrected the mistakes of a single judge.

An action for defamation against the director of a trustee company for refusing to transfer shares in that company is specifically and particularly prohibited. That was a recommendation drawn to Parliament's attention by the Chief Justice's Law Reform Committee and demonstrates once again the importance of that law reform body in law review in Victoria. It is a most useful provision and certainly takes some of the heat off a director. It enables a director or a board of directors to be frank, open and fearless in their decision-making.

Each of the other machinery provisions contained in the Bill probably do not require extensive comment. This is a short but useful amendment and it has the support of the Opposition.

On the motion of Mr ROSS-EDWARDS (Leader of the National Party), the debate was adjourned.

It was ordered that the debate be adjourned until later this day.

PUBLIC SERVICE (AMENDMENT) BILL

The debate (adjourned from October 30) on the motion of Mr Hamer (Premier) for the second reading of this Bill was resumed.

Mr MATHEWS (Oakleigh)—We are passing through a stage in the history of Victoria at which it is more than usually appropriate for members of the House, the Public Service itself and the wider community, to be interesting themselves in the efficient working of the Public Service. The fact that this State is approaching its first change of Government for a quarter of a century would, in itself, be enough to imply the probability of substantial alterations in Public Service arrangements lying ahead of us in the very near future. The fact that this change of Government will be occurring at a time of unparalleled contraction in the financial resources available for the administration of the State and its services represents a further source of pressure.

It is common ground on both sides of the House that people employed in the Public Service work at least as hard, and indeed in many instances, a

good deal harder than people involved in similar work situations elsewhere. It is probably also common ground that we have not as yet gone far enough in providing an environment in which maximum advantage can be taken of the effort which is put forward within the Public Service. It may be a source of regret in those circumstances that in this State we elected to have a simple inquiry, albeit an inquiry resulting in four separate reports carried out into the Public Service by Sir Henry Bland, rather than opting for the approach which has subsequently been taken in New South Wales, where the choice was for a continuing process of review, with Professor Peter Wilenski appointed as the commissioner for that purpose.

I believe it is safe to say that the first report which has come forward as a result of the review of Public Service practices in New South Wales and the efforts of Professor Wilenski will have a substantial effect on future thinking about the shape and functions of the Public Service in Victoria. Nevertheless, this House could properly take the view that now such a period has been allowed to elapse since Sir Henry Bland brought forward his first report on the Public Service, it would be timely for the Government to give thought to applying in Victoria those lessons about the advantages of the review process which have emerged from the experience in New South Wales.

Seeing that a considerable period has elapsed since Sir Henry Bland presented his fourth report, is not to say that this House, or indeed the Victorian community at large, is well informed or has had the opportunity to inform itself on the progress which has been made by the Government in giving effect to the very complicated web of comments, suggestions and, in a number of relatively isolated instances, specific recommendations which emerged from the various Bland reports.

It is a source of some disillusionment to members of the Opposition that the Government has not been prepared to take the community more effectively into its confidence over this matter and, indeed, to reap some of the credit to which it is entitled for the progress that has been made in translating Sir Henry's thinking about the Public Service into concrete terms.

It is a source of disappointment to me that I have been obliged to enter into this debate without having the advantage of an answer to question No. 861 which I placed on notice on 11 September 1979, three months ago, concerning the progress the Government has made in giving effect to the recommendations of each of Sir Henry's four reports.

One area to which Sir Henry addressed himself far more scantily than did Professor Wilenski was the area of generating those policy options between which Ministers are required to choose, and which, through their richness and variety, determine the quality of Ministerial decisions.

Early in his report, Professor Wilenski commented that in the case of New South Wales:

> While there is a strong emphasis in many departments and authorities on technical competence and getting the job done, there has not always been the same concern with thinking deeply about what the job itself should be.

That is a profound comment and it has considerable relevance to the Victorian Public Service. There may be no more crucial point in the thinking I have suggested ought to take place in the Victorian Public Service in the immediate future than the question of how it would be possible to obtain better policy advice for Ministers. I refer to policy advice that does not lead to a permanent head of a department putting forward a single preferred conclusion representing his own and his department's views, but to a permanent head putting before a Minister a wide range of options between which the Ministerial choice can be made. It is fair to say that in a number of departments that range of options has not been available in the recent past as it should have been and the quality of government and administration has suffered as a result.

Also in the early part of his report, Professor Wilenski said:

> There will have to be more men and women with breadth of vision, a sensitivity and re-

sponsiveness to community needs and issues and a willingness and an ability to communicate with the people they serve.

That, taken in conjunction with the earlier comment to which I have referred, should give honorable members considerable food for thought because the inability of many Victorian departments to communicate adequately with the wider Victorian community has been a source of impoverishment to government. There have been wide variations between departments.

For instance, there are departments such as the Department of Community Welfare Services, which has gone out of its way to make communication with the wider community an essential thrust in all its work. No praise can be too high, at least for the intentions that have been made central to the work of the Department of Community Welfare Services, particularly under the administration of the former Minister. It may be that the department has not always succeeded in translating goals into realities and the aspirations of the department may have frequently exceeded its achievements, but I reiterate that no praise can be too high for the philosophy the department has developed at its core and which it still pursues.

How great a contrast do the activities and philosophies of the Department of Community Welfare Services represent when set beside those of the Health Commission, which has adopted a stance of non-communication and elevated it to an art form? It is no accident that, when I raised the matter of questions on notice last week, I had to single out the Health Commission as the principal recalcitrant and culprit in subjecting members of Parliament to a process of studied neglect through its failure to provide answers to questions on notice for periods extending up to almost eighteen months. If honorable members are unable to obtain answers to questions they are entitled by right to ask, how much less hope have ordinary members of the community and ordinary community organizations of obtaining from this particularly arrogant bureaucracy the answers they need in order effectively to go about their business?

In contemplating measures that directly affect the Public Service, it is important also to think about two other areas of legislation that are of present public interest. The Government is to be much praised for its initiative in introducing sunset legislation—albeit in a form that is somewhat different from that expected by members of the Opposition and I suspect somewhat different from that expected by some members of the Government party. It is appropriate that the principle that all Government agencies and authorities should from time to time come under detailed scrutiny concerning the continuing relevance of their objectives and their success or failure in matching achievements and product to those objectives should be considered in conjunction with proposed legislation dealing with the conditions of employment within the Public Service.

The other directly relevant legislative area—and proposed legislation on this matter has not yet come before Parliament—is freedom of information. No doubt some honorable members on the Government side of the House would share the regret of all members of the Opposition about that. A particularly vivid example of the importance of freedom of information legislation was provided only in recent weeks by the Blunt case in the United Kingdom. It is significant that the exposure of Mr Blunt's activities would not have taken place if it had not been for the enactment of freedom of information legislation in the United States of America. A British author, who wanted to write about a British problem, was obliged to go to the United States of America, where freedom of information legislation was operative, in order to obtain information that was extant but secret at home.

I can imagine no more effective way in which to bring the Public Service into conformity with the expectations and hopes expressed by Professor Wilenski in his references to the need to think about what the job itself should be

than the combined influences of sunset legislation and freedom of information legislation. It is the hope of every member of the Opposition that either the present Government will introduce legislation of this kind to complement its Public Service reforms or the Opposition will, before long, be in a position in which it can introduce that sort of legislation.

The Bill before the House is supported and welcomed by the Opposition, which believes the arrangements for greater administrative flexibility within departments can only be a source of benefit to all concerned. It similarly believes the new arrangement for long service leave, introduced in conformity with election undertakings given by both the Liberal Party and the Labor Party, is a step forward.

As I said at the outset of my remarks, if much is to be expected of the Public Service, the Public Service has a right to expect much in return. It is a source of some regret that, in introducing flexible arrangements for departmental officers to be moved from post to post within departments, the Government was not more immediately prepared to give consideration to the feelings and aspirations of the officers themselves. Although the new arrangements will introduce the highly desirable element of flexibility, which has previously been denied to senior administrators of the Public Service, in isolation they could lead to an element of arbitrariness which would not be in the interests of the service and which could have significant demoralizing effects.

For those reasons, the Opposition proposes to move, during the Committee stage, for the insertion of a clause covering an appeals procedure. I understand the Government has had second thoughts along these lines.

The Opposition welcomes the introduction of the Bill as part of a much wider and highly significant process of thinking about the Public Service in Victoria. Members of the Opposition express the hope that before long the Government will be prepared to take Parliament and the wider community into its confidence about the progress that has been made towards the implementation of the recommendations contained in the four reports brought down by Sir Henry Bland. We look forward to the Government's proposals for the continuation of the process of examination of the Public Service, preferably along the lines pioneered by the Government of New South Wales through the establishment of Professor Wilenski's Public Service review mechanism. We also express confidence in the possibility of an increasing closeness of partnership between Government and Public Service for the good of all Victorians.

Mr McINNES (Gippsland South)—The role of the Public Service is probably understood in only general terms by the average person, who may appreciate the need for the Public Service, but to fully understand the Public Service one must virtually have grown up with it. To fathom the workings of the service, it is necessary to realize that Victoria has followed the pattern of the Public Service in the United Kingdom.

Time has shown that that, in its purest and earliest form, was indeed public service at the highest level. The passing of time has somewhat scarred the Public Service and, like other organizations and groups in the community, it finds itself under public attack from time to time. It is occasionally denigrated. The mental picture held by the ordinary person of a public servant is that of someone behind a desk wielding great power in an omnipotent fashion. There is a degree of antipathy towards the Public Service.

The Bill concerns itself with flexibility in administration. That is essential. It is obvious that the board from time to time is faced with a wide variety of situations as people move in and out of the Public Service. The employment of people with special abilities and expertise in the Public Service stimulates the service because these people can fill appointments even at the departmental head level.

This flexibility, generally speaking at the more senior levels, may concern an unattached officer filling an office without the need to advertise the position. Discretion will be placed with the board to fill the vacancy, providing a position is available and that a person is not merely employed for any duties that might be required of him. The National Party has no objection on that score. The Bill also concerns itself with the redeployment of officers of similar classifications. The board, in its wisdom, should be able to handle this matter. Private enterprise must have the same flexibility.

The Bill is also designed to enable public servants to take advantage of their long service leave entitlements over double the period at half pay.

The National Party does not object to the Bill as it essentially provides flexibility. The Public Service generally sees itself as being much more accountable and accessible to the public. The National Party believes the board has acted responsibly in dealing with the employment and fortunes of a large number of people. In general, Victoria can be proud of the people employed in the Public Service. Some of the old attitudes still remain, in the best sense, but like any other organization surplus fat must be removed from time to time and it must fit in with the current economy. It must be exposed to some extent to the market forces to which other organizations are exposed.

The guarantee of security in the Public Service is perhaps not as strong as it used to be and that is understandable when the rewards these days to public servants are not only equivalent to most other positions in the community but are perhaps in excess of what other people in the community receive. It is certainly a privilege to hold a position in the Public Service. I hope those who are part of that great body are aware of that fact. The motive behind security was to give public servants the freedom of mind so that they could apply themselves to the task before them and work in the best interests of the community. The National Party does not object to the Bill and understands that amendments will be moved during the Committee stage. Those amendments will be considered.

Mr HAMER (Premier)—I thank the honorable members for Oakleigh and Gippsland South for their reception of the Bill on behalf of the Opposition and the National Party respectively. I do not propose to do more than to make a few brief comments. I agree that the Victorian Public Service has been virtually transformed in the wake of the Bland report. It has been completely reorganized with a new structure. It has benefited from a number of changes and the administration of the Public Service Board has been far less rigid and more flexible than in the past.

I agree with the honorable member for Oakleigh that one of the areas which is most important is the formation of the policy and the presentation to the Minister of options and choices in respect of possible policies which have to be complete, be thoroughly researched and give a clear picture of the results of choosing a particular option.

The formation of the State Co-ordination Council in Victoria, which brings together the leaders of all departments and the main authorities, is an important instrument in achieving that kind of choice and in giving advice to the Government on the options available. The matters which are referred to the State Co-ordination Council are thoroughly dealt with. The council produces good reports and makes the position more than clear.

The honorable member might have mentioned the Ombudsman in relation to other legislation and Acts that are important because, in a real way, the existence of the Ombudsman gives a citizen at least a chance to complain if he thinks he has suffered at the hands of the Public Service. In most cases he is incorrect and is told so. I commend the attitude of the Ombudsman and the way the departments have received his decisions and have implemented them. I have not received one letter of complaint from any person who appealed to the Ombudsman. As most appeals

are rejected, that is a better tribute than anything that can be said about him.

I agree that a continuing process of review of the Public Service and the Public Service Act is needed. That is achieved in one way internally through the institution of the consultative committee which brings together the Victorian Public Service Assocation and other people. As the honorable member for Oakleigh interjects, it is an inside operation. It is a part of the whole process of review. It is effective in its own way because most of the provisions contained in the Bill have either been proposed by the consultative committee or have been submitted to that committee and have been approved.

Finally, as with other Bills affecting the Public Service, consultations have taken place on this Bill with the Victorian Public Service Association and, as a result of that consultation, I will move two amendments which will meet objections raised by that association in the course of discussions. They will be acceptable and will make the Bill better than in its original form. I thank the House for its reception of the Bill. I am sure it will lead to improved procedures and more satisfaction in the Public Service.

The motion was agreed to.

The Bill was read a second time and committed.

Clauses 1 and 2 were agreed to.

Clause 3 (Amendment of No. 8656 s. 37)

Mr HAMER (Premier)—I move:

Clause 3, line 11, after "Board" insert ", and after consideration by the Board of the views of the officers concerned,"

As indicated, this amendment arises as a result of discussions with the Victorian Public Service Association. That association believed that officers should have some means of appealing or at least being heard on the matter of transfer by permanent heads, with the final approval resting with the Public Service Board. The Government looked at the matter and considered that officers would be protected by the Bill as it was already drafted because obviously the board will take into account the views of all people before reaching a decision, but in order to make that more obvious and to allay concern expressed by the Victorian Public Service Association the Government decided to move the amendment which will make it clear that the Public Service Board is to take into account and consider the views of the officers concerned. In other words, they have the same right as on appeal, except that it is to the Public Service Board at an earlier stage. I understand that is acceptable to the Victorian Public Service Association.

The amendment was agreed to.

Mr MATHEWS (Oakleigh)—I move:

Clause 3, at the end of the clause insert—

"(5B) The holder of an office nominated under sub-section (5A) may appeal to the prescribed Promotions Appeal Board against his transfer to another office nominated under that sub-section on the ground—

(*a*) that his career will suffer as a result of the transfer;

(*b*) that the interests of efficiency in the Department will not be served by the transfer; or

(*c*) that the primary purpose of the transfer is to discipline the transferee."

The Opposition believes that the amendment just adopted, on the initiative of the Premier, constitutes a useful additional safeguard in the structure of the Bill, but it also takes the view that a form of appeals procedure should remain open to members of the Public Service who are affected by the wider thrust of these new proposals and administrative flexibility which is being adopted today.

This would be in complete harmony with the thinking expressed by the Premier in the amendment accepted by the Opposition. It is important that public servants should not, in the name of administrative flexibility, become the victims of administrative arbitrariness. It is equally important that public servants should not live in a state of fear that they will become the victims of arbitrary decisions. It is important that they should have a thoroughly understood, completely free-standing and autonomous appeals channel open to

them at all times. It is that goal which would be achieved through the amendment the Opposition proposes.

It is not hard, in applying one's mind to the new administrative flexibility that the Bill introduces, to imagine the career paths and aspirations of members of the Public Service undergoing a complete dislocation. This could happen as a result of people finding themselves shifted, through the extingencies of the needs of the service as perceived by its most senior members, from those specific channels and future paths for which they have prepared themselves by training and, not infrequently, by formal education.

It is for that reason that the Opposition puts forward the amendment. It not only has intrinsic institutional value but also reflects awareness of the thinking of individual members of the Public Service. The Opposition presses the amendment and asks the Government to accept it.

Mr McINNES (Gippsland South)—The National Party envisages no problem with the amendment. Obviously the senior officers with their careers at stake want to be sure that action taken against them is not taken friviously or lightly and they would not suffer as a result of a transfer. That is a reasonable expectation by a public servant going through the appeals board. Section 37 (5B) (*b*) as proposed in the amendment does cast upon the appellant the responsibility of justifying his own service. That will do no harm. If a person sincerely believes he or she has grounds to appeal upon, the appeals board will duly consider those grounds. There is an element of self-examination.

Section 37 (5B) (*c*) provides that a ground of appeal shall be that the primary purpose of the transfer is to discipline the transferee. The record of the Public Service Board is such that it can not take this action lightly. One would seldom hear of complaints of that nature. The National Party offers no objection to the amendment.

Mr HAMER (Premier)—The Government accepts the amendment. It is not really necessary when one considers the procedure one already has to go through under the clause. When the natural transfer is made by the departmental head but with the approval of the Public Service Board, which is now prescribed under the amendment, it is accepted that that action would be after interviewing the officer concerned.

It appears superfluous to have a further appeal, but the Government has no objection to it because the Government has instituted in the rest of the Act that system of appeal so that members of the Public Service shall not feel either victimized or in any way singled out for unjust treatment and shall have an avenue in which they can press their objections by way of appeal to an independent group. That system has worked smoothly and without any type of objection.

Therefore, in principle, it is not possible to object to the appeal procedure. In addition, although I do not believe it will be very much used, the only regret I have is about the last ground of appeal, that the primary purpose of the transfer is to discipline the transferee. Because the Government believes in the appeal procedures which it has instituted under the principal Act when it was first introduced, the Government has no objection to the specific amendment.

The amendment was agreed to, and the clause, as amended, was adopted, as were clauses 3 to 7.

Clause 8 (Amendment of No. 8656 s. 47 (7)

Mr HAMER (Premier)—I move:

Clause 8, lines 9 to 12, omit all words and expressions on these lines and insert—

"(*b*) with any specified authority, institution or similar body, whether in Victoria or elsewhere".

The amendment arises out of discussions with the Victorian Public Service Association. It deals with the transfer of people into the Public Service from other bodies. The transfer of public servants from other State public services and the Commonwealth Public Service is already covered. Indeed, the Victorian Public Service Association was the first to raise the needs of provisions to include

people from private enterprise who might transfer to the Public Service and who might be able to bring long service leave entitlements with them upon entry to the Public Service. However, the association believes the provision made in the Bill in its present form is too wide. The association initiated the idea and the Government is prepared to narrow the definition in the way set out in the amendment. Therefore, it will now simply read:

Any specified authority, institution or similar body, whether in Victoria or elsewhere.

The Government will leave the description of those bodies open rather than restrict it to any private enterprise or company of any kind. That is the best course.

The amendment was agreed to, and the clause, as amended, was adopted, as was the remaining clause.

The Bill was reported to the House with amendments, and passed through its remaining stages.

VICTORIAN DEVELOPMENT CORPORATION (POWERS) BILL

The debate (adjourned from November 15) on the motion of Mr Hamer (Minister for State Development Decentralization and Tourism) for the second reading of this Bill was resumed.

Mr JOLLY (Dandenong)—The Bill reflects the *ad hoc* nature of the Governments decision-making in economic affairs. The Bill considerably widens the scope of the activities of the Victorian Development Corporation, but there are no guidelines given as to the activities of that corporation because the Government has little idea where the economy is heading.

The Government has undertaken no analysis of the changes in the structure of the economy, yet it presents a Bill which pretends to deal with the structures of the economy and enables the Victorian Development Corporation to enter into areas of activity hitherto not entered.

The main provision in the Bill expands the scope of the Victorian Development Corporation. Clause 3 provides:

3. (1) In section 11 (2) of the Principal Act for the words "of country industries and with the provision of tourist accommodation and facilities throughout the State and without limiting the generality of the foregoing" there shall be substituted the expression—

"of—

(*a*) country industries;

(*b*) the provision of tourist accommodation and facilities throughout the State;

(*c*) investment opportunities in the State from overseas and interstate; and

(*d*) the export marketing of the State's primary resources, manufactured goods and tertiary services.

(2A) Without limiting the generality of subsection (2) the Corporation".

The intention of the Bill is to invest wide powers in the Victorian Development Corporation. That was made clear in the Minister's second-reading speech when he said, *inter alia*:

This Bill invests the Victorian Development Corporation with responsibility for the promotion and support of industrial development and of exports.

In the last paragraph of his second-reading speech the Minister stated, *inter alia*:

Section 3 will enable the corporation after full investigation to recommend to the Treasurer that he give a guarantee in suitable cases to support borrowings by an industry to increase production for export.

The Minister asserted with confidence in his second-reading speech that full investigation would be undertaken before borrowings were supported by the Victorian Development Corporation.

I point out that a thorough investigation is impossible taking into account the existing staff of the Victorian Development Corporation. At present there are only thirteen full-time employees and, even worse, there is not one person involved in research activities. Given that is the position, how can one expect a thorough investigation to be undertaken before borrowings are supported? It is certainly most disappointing for a Government to introduce a Bill which considerably widens the scope of the Victorian Development Corporation but which does not provide for any increase in staff—it certainly does not provide for the appointment of any research officers within the Victorian Development Corporation.

As I stated in my opening remarks, the move indicates that the Government has always based economic decisions on an *ad hoc* basis. It does not believe in forward economic planning and does not co-ordinate economic policies which is one of the major reasons why Victoria is lagging behind in terms of employment. Victoria is now in the position where its unemployment rate exceeds that of New South Wales and Queensland.

It seems to me that extending the activities of the Victorian Development Corporation without providing for research facilities is the height of economic irresponsibility. The Opposition strongly submits that it is necessary for a proper economic evaluation to be undertaken before any loans are made available to firms in the private sector.

Clearly the investigation needs to take into account the short-term and long-term considerations. There is no doubt about the short-term considerations. Opposition members are most concerned with the diminishing employment prospects in this State relative to Australia as a whole. There is no doubt the employment objective needs to be the No. 1 short-term criterion.

Employment growth is often an important consideration in the long term. It is necessary for Victoria to encourage growth industries, to encourage those industries into areas where Victoria has a comparative advantage or where it has a natural advantage. There is no indication that this will happen when the Bill is passed by the House and eventually becomes legislation.

The Opposition indicates that the present system of loan allocations is wide open to economic abuse. Even now the Victorian Development Corporation, like the Victorian Government, has little idea where it is heading and it has no structure which will forecast economic activities.

In that regard I refer to a statement included in the most recent annual report of the Victorian Development Corporation, that is the sixth annual report. It is quite clear that statements made on changes to the economy of Victoria are based on hopes, not on hard evidence. It seems to me that we need to know precisely where the economy is heading and more and more information is required. Yet the Victorian Development Corporation in its annual report is forced to rely on hopes and vague generalities which is a reflection of the fact that it does not have any research facilities whatsoever.

I add that this also seems to be a problem in the Department of State Development Decentralization and Tourism because the department made it clear in its most recent annual report that it lacked staff with the particular skill to assist in its economic activities. In my view that is a disgraceful situation.

I refer to the specific instances where reference is made to hopes rather than to hard evidence in assessing where the economy is likely to go in Victoria. The first comment is found on page 3 of the annual report of the Victorian Development Corporation which states:

> Hopefully, the decision to site Alcoa's new $350 million aluminium smelter at Portland is the stimulus we have been waiting for to get the Western District back into a growth pattern.
>
> Additionally, the Western Mining Corporation's recent announcement of preliminary drilling results leads us to entertain hopes of a major black coal find in an extensive area between Portland and the South Australian border.

Clearly its decisions are not based on hard evidence or projections, but based on hopes and even entertaining hopes as well. On page 4 the report states:

> The proposed $75 million convention centre/entertaining facility cum casino complex dovetailing with the Cultural Centre and Art Gallery is an exciting prospect and could well be the catalyst Melbourne needs to stimulate a surge in tourism.

Again that statement is not based on fact—it sounds like the words used by the Premier when he indicated that he supported the casino project in principle; but honorabe members would remember the time it took before the Liberal Party reached a decision on the introduction of casinos. It is quite clear that statements in the annual report are not based on hard evidence and that research facilities need to be provided at the Victorian Development Council.

In considering this measure, it should be recognized that it will have a significant impact on the structure of the Victorian economy. It is interesting to make reference to the Victorian Chamber of Manufactures latest report on the manufacturing industry in Victoria. That report was prepared and published in October 1979 and it highlights the difficulties we are facing in Victoria. I refer to the conclusion of its submission on the Victorian economy, and I quote from page 6 of the report:

> At present there is no over-all indicator of the growth of the Victorian economy. While the growth of employment in Victoria has sometimes been below that of the rest of Australia, household incomes *per capita* have risen relatively rapidly. The growth rate of the Victorian economy has probably been close to that of the Australian economy. The Victorian economy has not had some of the special features which have asssisted development in other Australian States—for example, a rich mineral resource base or wide tourist appeal. For this reason, the growth of the manufacturing sector has been particularly important to the growth of the Victorian economy. A description of manufacturing industry in Victoria is provided in the second section of this paper.

The report, by its nature, deals with manufacturing industry only, but it is important to recognize that even though Victoria is more dependent on manufacturing industry than other States, the prospects for Victoria are not all that good. I shall quote from page 37 of the report prepared by the Victorian Chamber of Manufactures. This section is headed "Prospects for Manufactures in Victoria". It states, *inter alia*:

> The next six years have been broken up into two sub-periods:
>
> 1978–79 to 1980–81—a period in which growth is likely to be constrained by a contractionary shift in Federal Government economic policy and by developments overseas.

Specific reference is made to the contractionary shift in the Federal Government's economic policies which will cause economic problems in Victoria, and that policy approach is supported by the Victorian Government. The report then goes on to look at the second portion of the six-year period, that is from 1980–81 to 1984–85 and it is indicated:

> 1980–81 to 1984–85—a period in which prospects for development look more favourable for Victorian industry.

Mr Jolly

It needs to be carefully explained that the report seems to imply a reversal in the economic strategy of the Australian Government and that, in turn, will partly depend on the attitude of the Victorian Government towards the policy of economic restraint implemented by the Fraser Government, and also whether that Government is returned when the Federal election takes place next year.

The Government's decision in respect of the second period and whether it is more optimistic about employment prospects, is not very comforting at all. This can be seen from an examination of the forecast of structural and growth factors in the production of Victoria's manufacturing industry. Before making reference to the employment prospects, I shall quote from the report as it relates to manufacturing industries which are important in Victoria but not so important in Australia as a whole. It is stated:

> In Australia as a whole, textiles, clothing and footwear and motor vehicles industries are expected to grow only slightly or decline, and Victoria's specialization in these industries implies poor growth prospects for a large part of Victorian industry.

That is the economic outlook we must face. There may be growth prospects for a large part of Victorian industry but that increase does not help those trying to achieve development over the long term. Continuing, in the report it is further stated:

> It is anticipated that Victoria will gain an increasing share of national production of basic iron and steel products (through expansion of production at Lysaght's hot and cold strip mill operations at Westernport) motor vehicles and beverages during the period from 1978–79 to 1980–81. This is expected to more than offset losses arising from a reduced share in national production of food products. However, these growth effects are unlikely to make up for the losses associated with the structural factors mentioned in the preceding paragraph.
>
> Structural effects from 1980–81 to 1984–85 are still likely to be negative . . .

Honorable members should remember that the Bill deals with the structure of the Victorian economy because that is the decision-making power given to the Victorian Development Corporation, and the Victorian Chamber of Manufactures

makes it quite clear that between 1980–81 and 1984–85 the structural effects are more likely to be negative. Continuing the quotation:

> . . . the high specialization in the slow growing clothing and footwear industry and the low specialization in rapidly growing production of basic metals being important factors. The structural factors are expected to be less sharply negative than in the late 1970s because the production of textiles and motor vehicles are expected to grow more rapidly in the early 1980s than in the late 1970s. Growth effects are again expected to be positive with Victoria gaining an increased share of basic metals production (steel and aluminium), motor vehicles and beverages, but losing its share of national production of food products.

Looking at the employment position from 1978–79 to 1980–81, it is expected that employment in that period in Victorian manufacturing industries will drop by 1·7 per cent. We cannot afford to have any drop in employment as it is claimed our employment rate is rising, but the forecast by the Premier is nothing but a joke as there will be a 1·7 per cent drop in employment over the next two years.

Let me now consider the longer period from 1980–81 to 1984–85. The pessimistic figures, based on seasonal assumptions, are more realistic than the optimistic figures, but over the period 1980–81 to 1984–85 employment in Victoria will drop by 0·8 per cent.

The community is experiencing a continuing work stagnation where employment figures are dropping year after year. Even the honorable member for Burwood would recognize that it is necessary to expand employment opportunities by about 1·5 per cent per annum simply to maintain the employment rates at the high levels they are at present.

On the optimistic scenario, there is no growth in employment. Even adopting the optimistic approach, one finds no growth in employment. That provides the background in which the Victorian Development Corporation will operate. It is necessary for a research unit to be established within the corporation to ensure proper assessments of the economy and that the decisions of the corporation are effective in stimulating growth of the Victorian economy and employment.

Mr Kennett—When did you last speak personally to the Victorian Development Corporation?

Mr JOLLY—On the telephone this afternoon. The Bill compounds the problem of basing decisions on inadequate information. That is bad economic management and reflects again on the incompetence of the Victorian Government to manage Victoria's economic affairs. This happens time and again. The scope of the Victorian Development Corporation is widened by the Bill but there is no increase in staff and no indication of the method of overcoming the problem of not having a research officer in the corporation. The approach is the complete antithesis to forward economic planning and if ever forward economic planning was needed, it is now because a great deal of economic uncertainty exists in the State, due largely to the economic policies of the Government.

Members of the Opposition believe an economic research unit should be established within the Victorian Development Corporation. It should have two major functions. The first should be to prepare reports on the private sector and identify growth industries in Victoria. It should be ascertained which industries have a comparative advantage and a natural advantage because those industries should be encouraged if there is to be any expansion of employment opportunities. That is the key to employment prospects in the future. The State cannot afford an approach whereby money handed out this year is likely to be a bad debt in future years. There are signs that this is beginning to happen, that bad debts are starting to show for the first time. Of course, bad debts will not show up completely for a longer period because the Victorian Development Corporation was established only in 1973 and the loans were for periods of between 5 and 10 years, sometimes 12 years. The corporation has been operating for only a short time. At the time when the loans should be repaid one would expect bad debts to show up.

I ask the honorable member for Burwood to take note of the figures on page 19 of the annual report of the

Victorian Development Corporation because they are important and he appears to be taking an active interest in the debate, after having been asleep earlier. Note 4 relates to the profit and loss statement and indicates that as of 1 July 1978 provision for doubtful debts was $829 552; debts previously treated as being doubtful, now recovered in full amounted to $215 406, leaving a position of $614 146 for bad debts. I ask honorable members to note particularly that a debt previously provided for and now written off as being irrecoverable—a loan to Mitchelton Winery Pty Ltd—amounted to $332 000.

As I have indicated, this is only the beginning because the corporation has not been operating for long. As the time approaches when the loans should be repaid, the bad debts are likely to show up. Thorough investigations should be undertaken and of necessity that demands that an economic research unit be established in the corporation. Unless the organizations that receive subsidized loans from the Government are accurately evaluated, it will not be possible to assess which firms and which industries should be promoted and which should not. For the benefit of the House and those honorable members who have been interjecting, I reiterate that it will not be possible until the early 1980s to assess properly what bad debts will evolve as a result of Victorian Development Corporation loans.

Closely associated with the bad debt issue is the functions of an economic research unit, which would be to monitor the effectiveness of the corporation loans on employment. That would be a basic function. It is important to know that information. At present industry is not required to advise the Department of State Development Decentralization and Tourism of consolidations or amalgamations. In answer to a question on notice, it was pointed out that it was not possible to determine the number of jobs gained or lost in this regard. It is not possible to determine how many gains in jobs have occurred, because industry does not have to notify the department. That is most unsatisfactory. The Opposition and the Government have no idea whether value is being received for each dollar loaned. It is imperative that the cost effectiveness of any proposals that flow from the coffers of the Government be known.

I turn now to the issue of public accountability. Clearly, considerable sums of money are involved in loans to firms in the private sector of the community. The details of the loans should not be kept confidential; yet they are. It is quite illuminating to refer to the answer to question on notice No. 624, which tries to justify why the details of loans are kept confidential. The answer from the Minister for State Development Decentralization and Tourism, the Premier, reads:

> The Victorian Development Corporation regards iteself as bound, under the code of confidentiality relating to financial transactions with private industry and in accordance with standard banking practice, not to divulge information of the type specified, i.e. detailed information in respect of individual loans.

I interpolate that it is not a banking organization; this is public money coming out of the Treasury. It is approved by the Victorian Treasury which effectively subsidizes the loans and interest rates. The only information given is general information. The answer continues:

> General information as to total amounts loaned each year, the number of loans approved, the number of propositions declined and a break up and classification of loans made throughout the State on a region by region basis is recorded in the corporation's annual reports, copies of which are tabled in Parliament and otherwise made freely available at the corporation's offices.
>
> Where company announcements are made of new projects involving Victorian Development Corporation finance and/or when decentralized factories are being officially opened, it is normal for the corporation's involvement and sometimes the quantum of loan funds provided to be disclosed.
>
> In all such cases, these disclosures are made either by the borrowers themselves of their own volition or by Government representatives so authorized by the borrowers.
>
> Subject to the constraints imposed by the requirements of confidentiality, which the Government fully endorse, I have arranged for the Chairman of the Victorian Development Corporation to confer with the Leader of the Opposition with a view to providing as much detailed information as possible.

The constraints of confidentiality are determined by the Government, which has the power to change those constraints and it should do so, because the arguments in favour of confidentiality are spurious. As the Deputy Leader of the Opposition has pointed out, public money is involved. The Victorian public is forced to bear the risk of any loans by the corporation to firms operating in the economy.

By not divulging information on loans, the Government may have something to hide. Why does it want to cover up the position? Is there something inherent in the firms which receive loans that the Government wishes to cover up? It adds to the speculation that the criteria used to distribute loans are based on something other than economic criteria. They may not be based on employment prospects. This situation is a disgrace. The public has a right to know details of the loans, and members of the Opposition will move an amendment to that effect.

This situation should not be allowed to continue. In other areas where companies come under public scrutiny before the Prices Justification Tribunal, and I have had experience before that tribunal, the issue of confidentiality and the criterion used to decide whether information should be made available is whether the divulging of the information would seriously undermine the competitive position of the firm concerned. Clearly this criterion does not apply in this case. Members of the Opposition are not asking for a disclosure of the profits, costs or expenses incurred by the private firms which receive loans from the Victorian Development Corporation. All they seek is the name of the firm, the aggregate size of the loan and the terms that apply to the loan taken up by the private sector. As it is public money and it will not undermine the competitive position of the firms concerned, that information should be made publicly available.

Disclosure of the details of the loans would enable Parliament and the public to evaluate the effectiveness of the operations of the Victorian Development Corporation. No research facilities are available to the corporation to assess which industries have an advantage and which are growth industries. One of the fundamental weaknesses of the present legislation and of this Bill is the lack of detailed information about the loans. I believe they are fundamental weaknesses associated with the operations of the corporation.

In addition, clause 3 (1) (c) of the Bill refers to investment opportunities in the State from overseas and interstate. Clearly it should also refer to investment opportunities locally because that should also be encouraged. It is probably an oversight of the Government in the phrasing of that clause, but it is certainly an important matter. I move:

> That all the words after "That" be omitted with the view of inserting in place thereof the words "this Bill be withdrawn and re-drafted to require the establishment of an economic research unit to prepare an evaluation of the potential of secondary and tertiary industries to which it is intended that new investment be attracted from overseas interstate and local sources, and further to require that the details of all loans be disclosed".

Mr ROPER (Brunswick)—I second the amendment.

Mr JOLLY (Dandenong)—I shall speak briefly on the amendment. The points I made about the Bill are incorporated in the amendment. It is clearly ludicrous to widen the activities of the Victorian Development Corporation and not provide a research unit. A research unit should be established to prepare an evaluation of the potential of secondary and tertiary industries to which it is intended that new investment be attracted from overseas, interstate and local sources. This would require detailed research to be undertaken into those industries which have a comparative advantage. Those industries with prospects for growth are important considerations when looking at the long-term future of the Victorian economy. It is impossible to make wise decisions in the absence of detailed research. Wise decisions are not forthcoming from the Government.

The amendment refers to the need to require that the details of all loans be disclosed. Public money is used by the Victorian Development Corporation and

the Victorian public has a right to know the details of loans so that they can evaluate the effective distribution of those loans.

Mr KENNETT (Burwood)—Honorable members have just heard an incredible contribution from the honorable member for Dandenong. It was his usual contribution. I consider myself to be a fairly new member of the House, but the honorable member for Dandenong, who has only been here for six or seven months, uses debates on Bills to expound the blight of unemployment in Victoria.

Mr Jolly—Aren't you concerned about it?

Mr KENNETT—Of course we are. But, unlike the honorable member for Dandenong, we do research, particularly on proposed legislation. The Government endeavours to create situations where industries can be given the opportunity to expand and create employment. The honorable member for Dandenong continually quotes from documents. He is exceptionally good at quoting figures, but they are rarely accurate. He asks the Government to establish a research unit, but I put it to honorable members that the honorable member for Dandenong has not researched the Bill sufficiently. I have contacted the Victorian Development Corporation, but he has not been there. He made one telephone call to the corporation today so that he could debate the Bill. He is a hypocrite and I say that with generosity. The honorable member for Dandenong comes into this Chamber and asks the Government to set up a research unit, but he obviously does not believe in research enough to check out the Victorian Development Corporation and what it does. All he did was make a telephone call to the corporation 6 hours or so ago to find out what it was all about.

Mrs Toner—How do you know?

Mr KENNETT—Because the honorable member for Dandenong said that he made a telephone call. He said that the first time he contacted the Victorian Development Corporation was today by telephone and yet he says the Government should establish a research unit. He has not even examined the proposal. Unless he does enough research, the honorable member cannot understand the contents of the Bill. The honorable member for Dandenong is as immature and as wet behind the ears as I was when I first came into this Chamber. He cannot make demands upon the Government if he is not prepared to research the situation.

The Bill tries to provide an extension of the potential growth of Victorian industries overseas, particularly for export, employment and the marketing of primary resources. Unlike the honorable member for Dandenong, I got my experience in practical trading, not by going to libraries and reading reports. There has been a decline in employment opportunities in the manufacturing industry. The majority of employment opportunities in future will lie in either creating new industries or in expanding the opportunities in existing industry. The proposed legislation sets out to do that.

Dr Coghill—How?

Mr KENNETT—The honorable member for Werribee is like the honorable member for Dandenong. He has been in this House for a short time and contributes on every matter. He asks, "How?". I do not know whether he has read the Bill or has done any research.

The DEPUTY SPEAKER (Mr A. T. Evans)—Order! The honorable member for Burwood is engaging in tedious repetition and is spending a lot of time in personal discussions with members of the Opposition and paying less attention to the details of the Bill.

Mr KENNETT—I was trying to answer the criticisms that have been levelled by the honorable member for Dandenong, who led the debate for the Opposition. He spoke about the lack of research. I must establish that his argument is fraudulent. The honorable member for Werribee interjects and asked how this Bill starts to establish growth in various industries. Clause 3 (*d*) does that.

The Bill tries to provide for growth in the export marketing of the State's primary resources, manufactured goods

and tertiary services. We are not necessarily talking about large industries, but perhaps small to medium industries which do not have the facilities or the expertise to employ specialized staff to provide this type of advice. The Victorian Development Corporation has a proven track record of efficiency and contact in private enterprise, unlike the honorable member for Dandenong, who is trying to establish a record of failure.

The Bill extends the charter of the Victorian Development Corporation to give industry the opportunity to establish employment opportunities by finding overseas markets. If the honorable member for Dandenong does not accept that concept, so be it. The Government is concerned about unemployment and is prepared, as always, to be flexible and to give those successful corporations a further extension of their charter to increase the opportunities in the employment field.

The proposed legislation will prove to be exceptionally successful in giving the small to medium size industries the opportunity to expand. The honorable member for Dandenong said that the corporation had already entered that field. I can understand how he would get that impression from reading a report, but he does not have any knowledge other than from speaking to the Victorian Development Corporation on the telephone.

The charter of the corporation is twofold. It is, firstly, to give loans for decentralized industries, which must therefore mean an increase in employment in decentralized areas. Most members of the National Party can speak of the work done in country areas which is a credit not only to the Victorian Development Corporation but to the Government and to the industries which receive those loans. Secondly, the corporation has been giving loans to tourist areas outside the metropolitan area and that has created employment. The Bill gives some industries the opportunity to expand their markets and employment opportunities further. The Victorian Development Corporation was established in 1973 and since then only one loan has been a failure.

Mr Jolly—Only since 1973?

Mr KENNETT—I challenge the honorable member for Dandenong to get a copy of the Hobart *Mercury* dated Friday 28 September 1979 and read what the Tasmanian Auditor-General had to say about the Tasmanian Government —a Labor Government—and its running of the equivalent of the Victorian Development Corporation, where more than 50 per cent of the loans have had to be written off. In six years in Victoria only one loan has failed. There would be no need for the Victorian Development Corporation if every industry operated successfully. The corporation probably is a lender of last resort. Loans are not made without knowledge or research. The Victorian Development Corporation employs a staff of thirteen highly trained and professional people to carefully evaluate every application for a loan.

Mr Jolly—There is no over-all criterion.

Mr KENNETT—If the honorable member for Dandenong had the courtesy to visit the corporation and speak to its chairman or any of its officers he would find out.

Mr Jolly—When have you spoken to them?

Mr KENNETT—I have spoken to them on 40 occasions. The criterion established by the Victorian Development Corporation is stringent. For every loan that is approved, nine loans are not approved because the risk factor is too great. The corporation provides Victoria with tremendous opportunities in the areas of its charter, which to date have been basically in rural and outer metropolitan areas, decentralized industry and tourism.

The Victorian Development Corporation is now having its charter extended because the Government sees a need for this.

Mr Jolly—That is "ad hockery".

Mr KENNETT—It is not "ad hockery"; the honorable member for Dandenong amazes me. He says that the Government should establish a research unit, yet by his own admission he has not

done his own research into the Bill. That requires only one telephone call, as he admitted earlier in the debate.

The DEPUTY SPEAKER (Mr A. T. Evans)—Order! I have warned the honorable member for Burwood about tedious repetition. He has referred a number of times to one telephone call to the Victorian Development Corporation, and that is tedious repetition.

Mr KENNETT—I accept your guidance, Mr Deputy Speaker, but it is difficult to ignore the interjections from the other side of the House suggesting that Government party members have not done their research.

The honorable member for Dandenong comes across as a prophet of doom. The Victorian Development Corporation is involved in assisting industry and guaranteeing loans, so what is he asking for? Is he asking the Government to finance or guarantee only those industries that have a guarantee of success? There is no guarantee of success in any industry. If there were, the banking system would not be able to handle it.

The Government is forward thinking in this type of legislation. The Victorian Development Corporation has performed exceptionally well in the six years of its operation with a minimal staff of thirteen. It has become a growing bureaucracy and the Government is now saying, in effect, that because of the corporation's performance and proven track record, it wants it to do a bigger, more important job, not only for industry in Victoria but also to create employment opportunities. That is and must be seen as forward looking. The honorable member for Dandenong, if he is ever part of a Government, will never run a risk in his life.

The honorable member for Dandenong went on to talk about confidentiality and said he believed every loan which the corporation makes should be open to public scrutiny. I put two points on that matter: Firstly, the Victorian Development Corporation is a statutory corporation, not a department, and, secondly, confidentiality is involved in any banking structure.

During debates in the Upper House this session, loans made through the Victorian Development Corporation were attacked to the detriment of the people involved without any evidence having been established. If that is what the Opposition wants to do, I would not have a bar of it, because I believe in the work of the Victorian Development Corporation and the opportunities it provides.

By calling for a contribution by the Government to a research unit, the honorable member for Dandenong showed that he had not done his own research. Under its limited charter, the Victorian Development Corporation tries to recognize growth industries or potential growth industries in the areas of decentralization and tourism. The contributions of the Victorian Development Corporation in those areas are quite substantial. The corporation identifies growth industries; it is not going to make loans to industries that have no potential for growth or profitability in the future.

It is unrealistic to reel out a lot of figures about the general unemployment situation, as the honorable member for Dandenong did. He went further and talked about things such as hopes and vague generalities. I put it to the House that hope is the greatest asset that any individual or Government can have. If one does not have hope or belief in the future, what does one do with one's lifestyle, and what does a Government do?

Mr Jolly—Economic decisions should not be based on hope.

Mr KENNETT—What an incredible contribution from the honorable member for Dandenong! It is understandable, because he has never been involved in a working situation; he has lived off figures. No new industry, however large it is, can survive unless there is hope in the bosom of the entrepreneur that it will do so. Certainly the entrepreneur may have done some economic research, but basically he has a God-given faith in himself and the ability of his product to make a go of it. The honorable member for Dandenong does not recognize hope and faith.

Mr Jolly—I recognize charity, that is why I am still listening to you!

Mr KENNETT—The Government accepts the hope and the visions that it has for the future as important ingredients in the development of any corporation or bureau. The honorable member for Dandenong illustrated the hypocrisy of his argument by not doing the very things that he said should be done. You might call it tedious repetition, Mr Deputy Speaker, but that is the basis of his argument.

I accept the Bill; I accept what the Government is trying to do and I have hope and faith in the Victorian Development Corporation, its officers, its corporate structure, its ability and the training of the members of the corporation. The new provision being inserted into the legislation will give Victorian industry excellent potential for growth, and through that will come the potential for further growth and employment. I hope the honorable member for Dandenong will come to realize that what the Government is doing is a step in the right direction. It is a visionary step and shows flexibility, and in the long run Victoria will benefit from it.

Mr HANN (Rodney)—It is important to consider the significant role of the Victorian Development Corporation in Victoria since its formation six years ago. Certainly, as a member who represents a country area, I am very much aware of the importance of the corporation and the large number of loans it has provided to industries throughout country Victoria, not only secondary industries, but also major tourism projects.

It is pleasing to note from the annual report of the Victorian Development Corporation for 1978–79 that the corporation reached a peak of $11·8 million worth of assistance to both industrial and tourist projects throughout the State. That brings the total cumulative assistance offered by the corporation since its inception to more than $50 million, which is a significant amount of financial assistance.

In the electorate I represent, I receive many inquiries either about starting industries or from those already involved in industries, and a number of major decentralized industries have received financial assistance varying from small amounts of $10 000 to large amounts of $1 million from the corporation over the past few years.

The annual report of the Victorian Development Corporation shows that in the North Central region, which I represent, in 1978–79 thirteen industries received assistance totalling $3·498 million and five tourist projects received a total of $213 000.

In the Goulburn area, which takes in Kyabram and is probably one of the biggest success stories of decentralization since the transfer of the Henry Jones organization from Port Melbourne to Kyabram, substantial assistance was provided through the Victorian Development Corporation. Seventeen industries received a total of $1·359 million and eight tourist projects received a total of $300 000.

Not all the money allocated to the North Central region is spent in the electorate I represent; it is also spread through various towns and cities in the vicinity, including Shepparton and Bendigo, and that indicates the strong support that country Victoria is receiving from the corporation.

I take the opportunity now of complimenting a number of people from the corporation with whom I have been associated. These include Mr Sadleir, the general manager; the chairman, Mr Banks and two officers, Mr Horsburgh, the industrial loans officer, and Mr McOrist, the tourist loans officer. They have always been sympathetic and have given a great deal of consideration to the various projects that have been submitted to them on behalf of constituents from the electorate I represent. They have not always supported those projects, because the corporation is extremely careful in its approach to lending. It is realistic in its lending policy, and does not believe in encouraging industrial or tourist projects to operate beyond their means and to place themselves in a position where the projects may fail. Certainly the corporation has encountered one loss, but when one considers that it has provided more than

$50 million to assist industrial and tourist projects, the amount involved is insignificant.

If the corporation is to assist people, some goodwill and hope must be involved, as the honorable member for Burwood mentioned. One can then expect that occasionally there will certainly be an element of risk and the corporation may sometimes be caught, but it has been fairly careful in its lending policies and extremely helpful. On most occasions when I have taken people to the corporation, even if it has not been able to assist them, the officers have always given helpful advice. I pay tribute on behalf of the National Party to the role played by the corporation. I know the Minister for Minerals and Energy, who is at the table, has had similar experiences. The corporation has played an important part in country Victoria in assisting decentralized industry, particularly local industries, to expand.

It has not been restricted to the big decentralized move from Melbourne; many small local projects have received funds or guarantees from the corporation, and that is most pleasing, and that will expand the role of the corporation into other areas. The operation of investment and promotion will be transferred from the control of the Department of State Development Decentralization and Tourism. Much discussion took place in the House today on research facilities for the corporation. This will be part of the research support services now operated by the Department of State Development Decentralization and Tourism. That is the sort of role that the honorable member for Dandenong was seeking for the corporation in his amendment; but it is covered largely by the resources and facilities of the Department of State Development Decentralization and Tourism.

That department tends to provide the sort of support services and tends to be looking constantly for new industries and ways and means of supporting industry. It tends to be looking for ways and means of encouraging industry to Australia from overseas. In my experience from contact with that department, one would see those personnel, presumably some of whom may transfer to the Victorian Development Corporation with this change, taking up research work. It seems to be more their responsibility than that of the corporation because the Department of State Development Decentralization and Tourism has people with those sorts of skills.

For that reason, the National Party is not prepared to support the amendment before the House. Moreover, I do not believe exposing the full details of loans would be in the best interests of people seeking loans. It would concern me that people I have taken to the corporation from time to time would in many cases be reluctant to borrow from a body such as the corporation if they considered that their financial dealings would be exposed to the public, and I do not believe that is necessary. The people within the corporation are directly responsible to the Minister who has access to this information. I am not aware of any situation where the corporation has granted a loan in circumstances which were not right and proper and based on sound financial considerations, and I would not support the amendment before the House.

By the same token, one needs to recognize that sometimes information is made public by the Minister. I have seen correspondence which passed from the previous Minister to the corporation indicating that it was his desire to make information available.

Mr Hamer—With the consent of the applicant.

Mr HANN—Yes, certainly. That does encourage other industries to apply for assistance, and that is a good thing. However, there are many instances where companies would not want details of their financial dealings disclosed, and it would not be in the interests of those companies that that should happen.

I should imagine that few people on the Opposition benches would like their financial dealings exposed, particularly the details of their borrowing arrangements. Those claiming they have

nothing to expose are probably not those who have borrowed significant amounts and accepted that sort of challenge. The House is considering the rights of people who borrow large sums of money. A loan is not allocated unless an industry can prove that it will increase the number of people it employs. That is a significant aspect of this whole programme by the Victorian Development Corporation. Indeed, in the tourism area, loans are not allocated unless particular projects are needed. I have known of cases where loans have been refused because the corporation considered there were more than adequate facilities of a particular type already in an area, be they caravan parks, motels or other facilities. Although one may argue about the needs of a particular individual, the general policy appears to be reasonably sound.

There are two expansions envisaged in this Bill. One is the role of investment promotion by the corporation, and there is much expertise within the corporation for that role. The investment opportunities relate to opportunities both within the State, interstate and overseas and also to export marketing of the State's primary resources.

This brings me to the other important area. It must be recognized that the economy in Victoria is largely dependent on the State's export industries, especially primary industries and supplementary manufacturing industries. My colleague from Benalla has asked me to mention that in Benalla there is the possibility of a knitting industry being expanded into a major export industry. That is one of the areas that could call on some support from this division of the corporation with this expanded power. There is no doubt that the expansion of export assistance to industries is commendable. I should comment that in the area I represent, during the past year, a major cheese manufacturer, Murray Goulburn, received assistance from the corporation to diversify, thus assisting export opportunities.

The corporation is playing an important role in assisting major companies within the State—in this instance a co-operative—to extend operations which will bring in additional revenue to the State. I recommend that honorable members give strong support, as does the National Party, to the Bill. The National Party wishes the Victorian Development Corporation well in its endeavours.

The National Party opposes the amendment and supports the Bill because it believes the role of the Victorian Development Corporation is important to country industries and to tourism and acknowledges that it could provide investment opportunities as well as export opportunities. However, I sound one small note of warning or perhaps ask the Premier for clarification. I do not believe that, in the long term, it is in the best interests of the corporation that its role should be expanded to financially supporting industries within the metropolitan area until the stabilization programme has been fully expanded, and I would hope that the provisions of the Bill are not designed in any way to do that. I assume that the activities of the corporation are to be expanded to encompass export activities. If there are limited funds available from the corporation, the bulk of those funds should be channelled into decentralized industries and those industries which will provide export support for the State. The National Party supports the Bill and opposes the amendment.

Mr FORDHAM (Footscray)—It was not my intention to participate in this debate in view of the well-researched case so ably put by the shadow Minister for economic planning, the honorable member for Dandenong, in outlining the attitude of the Opposition to this important Bill and, in particular, the well-reasoned argument in support of the amendment.

However, following the pitiful performance of the honorable member for Burwood, there is a matter I ought to raise on which I seek clarification from the Premier. The honorable member for Burwood, as you indicated on a number of occasions, Mr Deputy Speaker, involved himself mainly in personal abuse of the honorable member for Dandenong. He obviously feels very much in the shade as a result of the tremendous

effort put up by the honorable member in comparison with his own lamentable performance. As I said, he was involved essentially in personal abuse and in tedious repetition on the single matter he raised.

He did make the point, however, that he had contacted the Victorian Development Corporation requesting information as to the number of telephone conversations the honorable member for Dandenong had had with the corporation. To my dismay and, no doubt, to the dismay of honorable members on both sides of the House, he received that information.

I ask the Premier in his reply at the end of the second-reading debate to make it perfectly clear that he, as the Premier of Victoria, would never countenance any Government department or authority giving such information. I accept that the Minister responsible for any department could, if he wished to, for whatever reason, seek such information and perhaps be given it; but the idea of a member of the Opposition or a member of the back bench of the Government being able to ring up an authority or a department and ask whether another member has rung up and, if so, how many times, is outrageous. The matter cannot be buried and forgotten. It is an important principle.

If honorable members are to fulfil their duties as members of Parliament, there should be reasonable access to authorities and departments and in most cases that has been available; but the idea of some sort of reporting process being available to other honorable members to check up, as it were, on the activities and the endeavours——

Mrs Toner—It is spying.

Mr FORDHAM—I take up the interjection of the honorable member for Greensborough. One could see the potential for such a practice to develop to a situation of spying. I am sure that was not intended in this case, but I seek some guidance from the Premier on the matter as to how the corporation should respond in future if I or a member of the Government ring up and want to know how many times a person has phoned asking questions about a matter before the corporation. Of course members of the Opposition do not have the right to that information and I want the Premier to make crystal clear that the corporation acted wrongly in giving that kind of information to the honorable member for Burwood if that is, in fact, what did happen. In my view, the honorable member for Burwood acted in a low manner in undertaking that sort of investigation in the first place.

Mr ROWE (Essendon)—I support the amendment to the second-reading motion moved by the honorable member for Dandenong. I am amazed at the amount of fuzzy thinking going on on the Government benches in relation to this Bill. The House has heard the honorable member for Rodney suggest that the National Party will not support the amendment proposed by the honorable member for Dandenong on the ground that the current department of State Development Decentralization and Tourism has adequate staff of the quality necessary to carry out the work of identifying the needs of industry, especially of those industries in Victoria which are likely to expand in the future. I direct the attention of the honorable member to the comments of the Director of State Development at page 3 of his annual report as at June 1979 where he states:

> The need for a high degree of understanding and practical ability in the fields of industry and commerce in a Department concerned with economic development should be self evident.
>
> While notable progress has been made in the overall restructuring, regrettably, the Department has so far had only limited success in obtaining an appropriate range of skills, and in this respect the limitations on recruitment into the Public Service and other restrictions imposed on the Department during the restructuring process became a very real burden.

It is clear that honorable members on the Government benches do not comprehend what is being suggested. The honorable member for Dandenong has moved as an amendment:

> That all the words after "That" be omitted with the view of inserting in place thereof the words "this Bill be withdrawn and re-drafted to require the establishment of an economic

research unit to prepare an evaluation of the potential of secondary and tertiary industries to which it is intended that new investment be attracted from overseas interstate and local sources, and further to require that the details of all loans be disclosed."

The previous speaker on behalf of the Government, the honorable member for Burwood, suggested to the House that the corporation does identify growth industries and makes loans to them. Patently, that is not true. I refer honorable members to the sixth annual report, dated June 1979, of the Victorian Development Corporation. On page 7 of that report one finds a breakdown of loans granted on an industry classification basis. One sees there that loans have been made to textile and clothing industries and that loans to those industries amounted to some 27·4 per cent of the total. To classify the textile and clothing industry as a growth industry is simply not right. Even the Victorian Development Corporation recognizes that fact.

Mr Hamer—It depends on what you are talking about. There can be growth in many ways.

Mr ROWE—The honorable member for Burwood says that the corporation has in fact identified growth industries and is making loans to those industries. I am about to demonstrate that the corporation makes loans to a whole range of industries, many of which are not growth industries.

Mr Hamer—Individual applicants are growth industries.

Mr ROWE—That is simply not the fact. They are not growth industries and the Victorian Development Corporation is aware of the problem. On page 2 of its sixth annual report the corporation points to the fact that the combination of a number of factors, rising costs, inflationary factors and so forth, but mainly to the lack of growth of the domestic market is taking a toll of manufacturing concerns which are labour intensive. The report goes on to say:

For us in Victoria—the manufacturing State of the nation—the answer, surely, lies in manufacturing for export and this is something we are going to have to do to much better purpose. The Crawford Report cannot be ignored for ever—our manufacturing industry will not survive in isolation—

No one objects to that comment—

it must be equipped to take its place as an international competitor.

Surely that means that this Government and the Victorian Development Corporation have to identify those areas in which Victoria has some natural advantage, some international comparative advantage, in those industries in which one would expect some sort of growth in the future.

I wish to refer to the extensive report which appeared in the *Australian Financial Review* of January this year, which states:

In Victoria, capital and labour are concentrated in the labour-intensive goods rather than services, consumer goods rather than capital goods—

. . . . . .

and, as the inevitable result of all the above, on goods for the domestic market rather than for export.

The article goes on to say:

Look at where the jobs have been lost. In the year to last September, 1000 jobs disappeared in the textile industry—2·4 per cent of the total.

The point is that almost 55 per cent of Australia's textile work force is located in Victoria. It is not true to suggest that this is a growth industry when in one year 2·4 per cent of the total work force, 1000 jobs, have disappeared. The article continues:

Almost 55 per cent of Australia's textile work force is in Victoria.

In clothing and footwear, a net 100 jobs disappeared. Again, 55 per cent of this work force is in Victoria.

In transport equipment, 3200 jobs were lost —2·2 per cent of the total. Victoria has 42 per cent of this work force.

I suggest that it is not in the best interests of the State and of the country that the Victorian Development Corporation is continuing to make loans to those industries. They are highly protected industries and should not be compared with overseas countries. In fact those industries are suffering from intensive import competition.

A further article in the *Australian Financial Review* of August 1978 has this to say in relation to the Victorian economy:

> At the moment prospects for them look extremely grim. Only wood products, paper products, transport equipment, machinery and household appliances are forecast to exhibit positive employment growth in the period.

The Opposition is suggesting by this amendment that somewhere in the Government administration there needs to be forward planning. It has been suggested by the National Party that the Department of State Development Decentralization and Tourism should do this as it has the necessary staff. The Opposition suggests that the Victorian Development Corporation identify certain criteria. It will not be done overnight. There needs to be a close look at the economy in Victoria generally and its place within the nation, to identify the areas of growth.

Mr Simpson—The natural assets.

Mr ROWE—The natural assets within this State, and identify those areas which are declining and encourage development in the growth areas.

I wish to quote also from an article in the *Australian Financial Review*. It refers to the submission by the Victorian Manufacturing Advisory Council to the Crawford inquiry on structural change in Australia and had these comments to make:

> The VMAC said that structural change should result from resources being attracted into growth sectors rather than being forced out of more highly protected sectors by the operation of Commonwealth protection policies.

That is exactly what the Opposition is saying, that we should attract resources into growth areas. Certainly the Bill does that to some extent because the powers of this particular Act have been enormously widened. I refer to clause 3 (1) (c):

> Investment opportunities in the State from overseas and interstate;

This will become an important and somewhat powerful corporation in marshalling overseas investments. We are suggesting that rather than some *carte blanche* attitude to overseas investment which is not in the long-term interest of the nation or the State, the Government should take stock and identify the areas in which Victoria is best able to attract overseas investment. Today overseas investors are a little more sophisticated and a little more concerned about a whole range of economic factors, than they might have been in the years of economic growth following the second world war.

Mr Simpson—They would be impressed if we had some guidelines.

Mr ROWE—They will not come here on some flimsy sort of pretext but if we can identify the areas and suggest that we will encourage development in those areas, in my view and in the view of the Opposition there would be greater opportunity to attract the right sort of investments eventually.

The Victorian Manufacturing Advisory Council in its submission to the Crawford report went on to say:

> With regard to structural change in the more highly protected sections of manufacturing industry, the VMAC also pointed out that very little work had been done on the economic and social implications of displacing workers.

That is again something that can be taken up by a unit such as this, not only at the areas of expansion but also the social and economic effects of displacement in other industries.

The other matter I wish to raise is that last year as a result of multi-lateral trade negotiations it was suggested or offered by the Federal Government that there should be some 40 per cent reduction in tariff. The point about those reductions in tariff is that they would have a divergent effect throughout the economy. The effect it would have in Victoria should be identified. It would be quite disastrous because of the nature of economic development in this State. The textile industry, the footwear industry, and those types of industries receive high levels of effective protection. A report of the Industries Assistance Commission has suggested that a reduction in the tariff levels, as was suggested in those negotiations, could create a drop of 0·5 per cent in blue collar employment in the electrical trades in Victoria alone. I remind the House that that industry is a major employer in the State.

I move to other aspects which are highlighted in the annual report of the Victorian Development Corporation. On page 3 the report suggests that 70 per cent of previous loans by the corporation were for amounts of less than $30 000. It is evident that small businesses are still germinating.

I draw to the attention of the Minister that perhaps it would be suitable to have some sort of co-ordination between the Small Business Development Corporation and the Victorian Development Corporation if in fact the majority of its loans are being channelled to small business. I refer to page 10 of the third annual report of the Small Business Development Corporation for the year ended 30 June 1979, which states:

> There is a clear, demonstrated need for the Corporation to promptly employ a research officer within its own staff to co-ordinate research activity.

There appears to be some need for co-ordination between those two bodies anyway and they identify an urgent need in that one area. The Small Business Development Corporation identifies the need for greater research. The same type of loans appear to be proposed through the Victorian Development Corporation. On page 4 of the annual report of the Victoria Development Corporation it is stated that about 20 per cent of the corporation's activities relate to the tourist industry. It also states:

> Other countries in the Pacific Basin have come to a full realization of the value of their respective tourist industries and it is clear that Australia is lagging far behind in meeting this competition.

The report also points out in relation to tourist industries and its high priority for development of the tourist industry that tourism is dependent on motor travel. It points to the increased cost of car travel in Australia and its effect on the caravan and motel industry. I remind the House of some of the Government's proposals which will increase dramatically the cost to the motorist in Victoria alone. Those sort of actions cannot be isolated. They must be seen in the over-all picture and its impact on the tourist industry. The Victorian Development Corporation is saying that it will have an impact because it will adversely affect the tourist industry. The corporation also points out that:

> Probably the most promising opportunity for attracting business to Victoria lies in the development of world class resorts in our snowfields.

It continues:

> Of all sporting activity on a world-wide basis, skiing with a growth rate of 17 per cent per annum over the last five years is the fastest growing.

The report points out the need for the development and management of the Victorian snowfields. The corporation also suggests that it does not help that the snowfield resorts are administered by upwards of 30 separate bodies and committees of management. Perhaps the Government should examine development of the tourist industry in that area.

I remind the House of the over-all thrust of the amendment. Members of the Opposition are not opposed in principle to the broad aims of the Bill in that it is attempting to widen the scope of the Victorian Development Corporation, but we are suggesting that there should be a hard look by a Government department or agency to plan ahead instead of the haphazard development that has gone on in the past. Investment opportunities from interstate and overseas need to be channelled into areas of growth and opportunity in the long-term interests of all Victorians.

Mr McINNES (Gippsland South)—I congratulate the Victorian Development Corporation, firstly, on the promptness with which its sixth annual report has been brought forward for the year ended 30 June 1979 and for the format it takes. The chairman's address is one of great sensibility and in practical terms sets out the problems that are confronting Victoria today. The people in charge appear to know what they are talking about. I have grave doubts whether the Opposition has any ability in that regard. The chairman commented that:

> Back in the 50s and early 60s, we saw throughout Australia a major step forward in industrialization. Much of the impetus came from post-war migrants, backyard textilers,

innovators and entrepreneurs. They recognized the opportunity of growing markets, the need for improved technology and the rewards for hard work. Whilst many failed to realize their hopes of the land of opportunity, there is ample evidence today to confirm that a goodly number achieved success.

It was not necessary for those people who, in many cases, came here with very little other than their skills and intelligence, to wait for a research unit to prepare an evaluation of where they should go. I am not suggesting that a unit of that nature would not have a place, but if the Vivtorian Development Corporation were to be structured on the basis of the preparation of the sorts of reports that clutter the libraries of all Parliaments and departments and are never acted upon, nothing would ever be achieved. There are several reports into the manufacturing industry, including the Jackson report, which have taken years to consider.

To get Victoria really moving again the entrepreneurial spirit must be revived. It is obvious that members of the Opposition are sadly deficient in that spirit. That is illustrated by the last part of the amendment, which asks for the details of all loans be disclosed. The busy-body attitude of inquiring into everybody else's business cuts right across enterprise. If people have an idea and wish to promote that idea in their own way and to back their own judgment, they are entitled to do so. The success of Australia and America has come about through people starting off on their own and perhaps just needing a bit of help along the way.

I have repeatedly said that it is unfortunate that concentration is centred on the larger corporations and businesses when it is the smaller industries and individuals who really should be encouraged. Any individual who sets out to make a go of things on his own has my full support. The people who have bright ideas and believe they can work, and who have the courage of their convictions are the people this State needs.

As I have said, the report of the corporation is excellent and the Bill, which sets out to broaden the powers of the Victorian Development Corporation, can only be hailed as a further step, although perhaps a modest step, in the development of the corporation since its establishment in 1973. The National Party welcomed the corporation then and the corporation's general record has been very good. The report indicates that $150 million worth of new businesses have been established and the corporation has contributed $44 million in financial support to those businesses during the past six years.

It has had quite a successful history, with one major failure and a few minor failures. Nevertheless, those are the sorts of risks everybody must take. The charter of the corporation was, to some extent, to move into the risk-taking area. It is a lender of last resort, as was mentioned in the chairman's address. That is an important comment because it indicates that public moneys will be put at some risk—and the best brains are being used to decide how great that risk is and to limit the risk as much as possible by providing advice to individuals who have gone to the corporation for advice and counsel as well as for finance. However, to ensure that the projects do not fail, risk capital must be provided.

Often, when a project fails the money is not totally lost. I can think of an example in the electorate I represent. Regrettably, a relatively small firm failed, but the structure has been retained and it is being taken over by another company. Perhaps the second or even the third firm would succeed. That is the history of success. The money is not really lost in cases of that nature. It is only when a project is totally wiped off the face of the earth and there is no recovery of assets that one can conclude the money has been lost.

I give as an example of success a company that operates in the electorate of the honorable member for Gippsland East, at Heyfield, and in the electorate of Gippsland South, at Yarram. It is a small company involved in the building field. It set out to manufacture plaster boards. It has previously been forced to draw its supplies from the

metropolitan area. It started its manufacturing operations in a disused butter factory that would have been pulled down and it was able to do so at low cost. It obtains its supplies of gypsum, the raw material, from somewhere in the Mildura area and has gone on to develop a niche in the export market to Singapore. Its products are being used in hotels in Singapore and in the Collins Place project here in Melbourne. It operates under the disadvantage of additional transport costs, but it is successful. It runs on low overheads and, has been able to produce a new form of extruded plaster sheet about 3 inches thick. The sheets are used to form internal partitioning walls. They are free standing and need no additional support and are able to carry all the necessary services.

The firm is having a few problems at present, but it will battle through if it receives a little support and understanding. It is in areas like this that the mandate of the Victorian Development Corporation, which is being widened to enable a broader approach than just the narrow financial line to be taken, is vital. There must be some degree of co-ordination with other Government instrumentalities when the corporation believes a project could be successful.

The chairman's address also made the point that Victoria must develop many more small industries. There is a market for the products of small industries in the export field, particularly in Asian countries such as the Philippines or Singapore, because they can compete. Small businesses are the largest users of labour. It is not the big corporations which employ the most people, because they are increasingly turning to automation, word processing and other advanced technology as they cannot bear the high costs of labour when competing on the world market. The corporation, in supporting the growth and development of small businesses, is on the right track.

I join with the honorable member for Rodney in giving what might be regarded as a word of caution. Small industry right throughout the State, in both city and country areas, should be encouraged, but at this stage the fact must be faced that the corporation has limited funds. Therefore, in line with the concept of State development, emphasis should be placed on opportunities being provided for small manufacturers and entrepreneurs throughout the whole of the State. In due course it will be necessary for the corporation to get behind projects right across the board and members of the National Party will have no argument with that. That will be possible when enough funds are provided. I have no doubt that with its solid foundation the Victorian Development Corporation will play an increasingly important role in the years ahead.

Dr COGHILL (Werribee)—I congratulate the honorable members for Dandenong and Essendon on their well-researched and well-presented contributions to the debate. It is important for honorable members who debate a Bill like this not merely to have a glance at the Notice Paper and the Bill, listen to one or two speakers, and then, speaking off the cuff, make poor contributions to the debate, which may be misleading.

I make that point because two honorable members made comments about the activities of the corporation that were not accurate. They suggested that the corporation is required to act as a lender of last resort. The honorable members concerned should examine the principal Act, because it contains no such provision. It is irresponsible for any honorable member to make that sort of statement without having carried out any research.

The honorable member for Gippsland South spoke about the entrepreneurial spirit and skill and the importance of those attributes in the development of Victoria. That comment is reminiscent of the stickers that are seen on cars proclaiming that "Enterprise Builds Australia". I endorse that sentiment, but I point out that enterprise is not limited to the private sector. Australia would be in a sad and sorry state if it were not for the initiative and activity that have been displayed by various Governments at various times throughout the country's history.

Any honorable member who has examined the Bill carefully must agree that it both illustrates the inept administration of the Public Service by the Government and represents an attempt to subjugate the interests of Victorians to those of big business, particularly foreign and interstate businesses.

It is clear from a reading of the principal Act that employees of the Victorian Development Corporation are not subject to the provisions of the Public Service Act. Indeed, that is set out clearly in section 10 (2) of the principal Act. I can perceive only one advantage from that provision, and that is that the employment of people by the corporation need not be restricted to Australian citizens or British subjects. That prohibition should not be in the Public Service Act and, because the corporation is not bound by it, it can employ people who are neither Australian citizens nor British subjects.

However, the fact that the employees of the corporation are not subject to the provisions of the Public Service Act enables the corporation to by-pass many of the safeguards enjoyed by members of the Public Service. Section 32 of the Act provides that there can be appeals against appointments from outside the Public Service. It has been suggested that that provision may be too restrictive, but anyone who has studied the workings of the provision would understand that it is too restrictive only because of the inept administration of the Act by the Government, not because of the nature of the provision.

The Public Service Act also provides for appeals against promotions, which may be mounted by the person who is actually to be appointed, if for some reason he does not want the promotion, or by some other staff member who believes he is better qualified or has had more experience and is therefore better suited to the position. It is fair for employees to have that right and that has been recognized in the Public Service Act, but it has not been recognized in the Victorian Development Corporation Act.

Dr Coghill

The conditions of service in the Public Service generally are set by an independent board, which can act on its own initiative or on submissions made to it by the Victorian Public Service Association or other bodies. Representations for sick leave, long service leave, or study leave—which could be of advantage to the individual and to the corporation—and for other things such as higher duty allowances are made by an independent body which protects the rights of employees. There is no such provision in the Victorian Development Corporation Act. The more senior staff employed by the corporation do not enjoy the benefits of the State Superannuation Act which is available to members of the Public Service. That can have serious consequences for these officers when they reach retirement age.

There are no provisions in the Victorian Development Corporation Act to ensure that officers of the corporation who are disciplined, for whatever reason, are guaranteed a fair hearing and a fair right of appeal. It is reasonable that they should enjoy the protection that is available under the Public Service Act.

The Victorian Development Corporation Act is organized to implement the Government's decentralization policies. That was one of its major purposes when it was first established. On reading the annual report one would have hoped that this had been a success. This report is yet another of those flashy, glossy, documents, which is quite inadequate and is not the best way to use the funds available to the corporation. The Government decided that these reports should be published by the Government Printer or under his auspices, yet on the back page of the report one sees that it was not produced by the Government Printer but by a private printer. That would seem to be a violation of established Government policy, and the Premier, as the responsible Minister, should not allow that to happen. The report is printed on high quality paper. It has been typeset, not typed, and then photo-

reproduced as was the department's annual report, and it includes many glossy pictures.

The DEPUTY SPEAKER (Mr A. T. Evans)—Order! This has been rather a long debate and I am reluctant to draw the honorable member's attention to it, but I believe the subject he is now speaking on is not relevant or of great importance. I ask him to direct his remarks to the Bill instead of giving a picture by picture description of the report.

Dr COGHILL—Thank you for your guidance, Mr Deputy Speaker. A close examination of the report indicates that it does not give a good picture of what is happening with decentralization or State development in Victoria, and the role of the corporation. It reads very much like self-congratulations, as does the annual report of the Department of State Development Decentralization and Tourism. It is in stark contrast to what is happening in Victoria's development. Victoria's resources are not being used to the best advantage of the citizens of Victoria.

I shall quote some figures which clearly illustrate that point, and compare the employment and manufacturing industries with the unemployment rates in three major provincial cities.

Mr MACKINNON (Box Hill)—On a point of order, Mr Deputy Speaker. I see no reference in the Bill to the report produced by the Victorian Development Corporation. I understand that it is in the principal Act, but is it in order for a member to speak to the principal Act and not to the Bill before the House?

The DEPUTY SPEAKER (Mr A. T. Evans)—Throughout this debate, various members have referred to the report. It is the usual custom in this House, when honorable members are debating the operations of a certain department, to refer to annual reports that are available.

Dr COGHILL (Werribee)—Thank you, Mr Deputy Speaker. To highlight the relationship of the report to the Bill, I refer the honorable member for Box Hill to clause 3 of the Bill which refers to assistance to country industries, and that is the point I was about to make by quoting some figures. If one compares the employment in manufacturing industry with the unemployment rate in three major provincial cities, one can see that the policies followed by the Victorian Development Corporation, and implemented through it, are not succeeding.

In Ballarat, in 1976–77, 4257 persons were employed in manufacturing industry, that is, the sector of industry eligible for assistance under the principal Act. The unemployment in October 1979 was 3447. Those figures are fairly close and suggest that the activities of the Victorian Government have been an unmitigated disaster in attempting to overcome the employment difficulties which Ballarat has experienced. If one compares the rate of vacancies for the number of employed it becomes even more apparent. The relationship between vacancies to unemployed in October was 1 to 49—among the worst in the State.

In Bendigo, in 1967–77, 3293 persons were employed in manufacturing industry. In October 1979, 2596 were unemployed. The ratio of vacancies to unemployed was 1 to 27.

In Geelong, in 1976–77, 3028 persons were employed in the manufacturing industry, and 3181 unemployed in October 1979. The ratio of 44 to 1 unemployed to vacancies compares with a State-wide average of 18 to 1.

In each of these cases, the unemployed rate and the level of vacancies was very much worse than for Victoria as a whole, and it clearly indicates that the object of the Government is not being met by the operations of the Victorian Development Corporation Act, and as proposed by the Bill.

It is worth looking at the definition of industries because herein lies part of the problem. Under the principal Act, only manufacturing and processing industries are included. No attempt is made to move outside the secondary industries other than into tourism. These are the only sort of industries to be helped. This does not reflect what is

happening in provincial areas and other definitions do not ensure that there will be help in different areas of Victoria.

I direct particular attention to the needs of Melton. In 1974, the Government said that Melton would be developed as a satellite city, with its own employment and its own internal resources; in other words, a semi-autonomous economic area. Yet Melton is specifically excluded by the definition in the principal Act and in the amending Bill.

The Government should examine the methods used by other countries to influence the location of employment. I urge the Premier to examine what has been done in France, where there has been a definite and selective policy of attempting to influence the relocation of industries. This seems to have been successful. The same applies to many other areas of western Europe and other countries, but no clear attempt has been made by the Government to have a comprehensive selective policy. The Government has drawn a line around Melbourne and said, "Anyone outside that line has certain concessions, and anyone inside it cannot have them". An opportunity exists for much more selective systems to boost regional economies and that ought to be done.

The Bill is a further watering down of the Government's decentralization programme. The previous emphasis on decentralization will be watered down by the extra sections that will be written into the Act. Originally the Victorian Development Corporation Act was about country industries. The definition is now extended to take in the provision of tourist accommodation and facilities throughout the State. That includes the most prosperous parts of the metropolitan area. The definition goes on to include investment opportunities from overseas and interstate. That neglects local sources of employment and investment. Victorians should be given the first opportunity to develop their own State. There should not be undue emphasis on attracting investment from corporations based overseas and interstate. The emphasis of the Government should be, firstly, on assisting Victorians and Victorian industries and developing the resources of our community.

In 1972, the Government announced that it would decentralize its departments, instrumentalities, and personnel for which it was responsible. Six weeks ago, I asked the Premier in question No. 1403 what records of the programme's progress are maintained and what evidence there is of success of the programme over the five years to 30 June 1979. In addition, I have asked a number of questions of individual Ministers regarding the relocation of staff positions for which they are responsible, but the responses have been disappointing. There has been, what seems to be, a standard answer to many of those questions, claiming my questions were vexatious. In some cases, the word "vexatious" was crossed out before the answer was typed. There seems to be simply no information about the progress of the Government's decentralization policy in respect of its own instrumentalities. The Premier has now had six weeks and one day in which to answer a question I placed on notice, but no answer has been forthcoming. The Government should implement its policy regarding the location of its own personnel because this could have a major impact on the distribution of employment within Victoria.

The House should support the amendment moved by the honorable member for Dandenong. It is rather surprising that the National Party has chosen not to support the amendment, because the Bill, in its original form, clearly waters down the interest which they hold so dear, and rightly so—the need for decentralization of Victorian employment. I ask that the House support the amendment proposed in the interests of all Victorians.

Mr HAMER (Minister for State Development Decentralization and Tourism) —The Government rejects the reasoned amendment because it is totally unnecessary. If one is going to have staff of a specific kind or a research unit in a body like the Victorian Development Corporation, one can have it, one does

not need to provide for it in a Bill. It would be a most unusual Bill which prescribed or tried to prescribe the staff which an authority like this should have.

The Bill sets out the Victorian Development Corporation's duties and responsibilities. There is absolutely no need—in fact it would be most unusual and unnecessarily constricting—to try to lay down what specific staff there would be or how the specific authority would be structured. I do not disagree with the need for research.

The honorable member for Dandenong should know that there is a whole division in the Department of State Development Decentralization and Tourism conducting research; it has some good people and it does some good work. There is also an economic research department in the Department of the Premier which does precisely the sort of thing the honorable member for Dandenong was talking about.

We have at least a basis for doing the kind of research which the honorable member for Dandenong has in mind and I do not quarrel with the need for it. All I do quarrel with is the inferences the honorable member drew which were very far from the mark. The Government will not have anything to do with the amendment because it requires in every case the disclosure of people's business. It is not unusual for details of the Victorian Development Corporation loans to be made public; it is Government policy and a very proper policy.

Mr B. J. Evans—To make some public?

Mr HAMER—Yes, make some public with the consent of the people concerned; those people do not mind.

Mr Fordham—When they go broke.

Mr HAMER—Not when they go broke.

Mr Fordham—Only one!

Mr HAMER—Only one out of hundreds has gone broke. That record stands as a monument to the care and even the conservative approach of the Victorian Development Corporation.

Mr Jolly—It is too early to make a proper assessment.

Mr HAMER—The honorable member for Dandenong chooses to denigrate the authority. It has been operating for six years and it has had one failure. Many of the loans have been repaid in full already and, sometimes, money has been lent again. Honorable members should be fair to the authority: it has acted with immense discretion and care. It is capable of researching each application and it employs people who are capable of doing that. If the honorable member for Dandenong would like to come down to the corporation some time, I will introduce him to the people concerned.

The honorable members for Rodney and Gippsland South correctly pointed out that, in widening the authority of the Victorian Development Corporation, the Government should not diminish or dilute its principal responsibility, which is to aid decentralization and to support and assist country industry. On the contrary, the Government wants to make it more readily possible for such industries to get into the export market and enlarge themselves. The primary task is still there and will remain there as a matter of policy. It is inherent in the whole of the principal Act, even as amended by this Bill, that that is its main function.

I have been appalled at the ignorance of the operations of the Victorian Development Corporation shown by certain members of the Opposition. Perhaps the Government should take those honorable members to the Victorian Development Corporation, let them meet the people concerned, and find out what really goes on. I want to give one example because I think it is a bad one. The honorable member for Essendon criticized the Victorian Development Corporation for making loans last year of up to 27 per cent of its total to industries in the textile, clothing and footwear industries. The honorable member said those are not growth industries and implied, therefore, that these loans should not have been made. I interjected that the Government cannot regard an industry as one entity.

There are many enterprises within that industry which are eminently suitable and viable.

If the honorable member for Essendon would like to take one example, let him take the Maryborough Knitting Mills (Cuttle) Ltd which has had support from the Victorian Development Corporation which has enabled the mill's employment to expand. Further, that mill has recently taken over another factory at Kyabram. I was told only yesterday that that factory at Kyabram is the Maryborough mill's most productive unit and it has been operating at Kyabram for only a few months. That is a good example of an enterprise which ought to be supported by the Victorian Development Corporation. Try telling the people of Maryborough that they should not have been supported because clothing is not a growth industry and neither is the textile industry. That is a most ridiculous argument.

The Victorian Development Corporation has to investigate which specific enterprises have some chance of success and which ones are going to promote and encourage employment. If the criteria is applicable and if it comes up well under such examination, the loans ought to be made, otherwise the Government cuts the Victorian Development Corporation off from some of the most productive sources of its operations, which is in the textile, clothing and footwear industries. These are among the most amenable industries for decentralization purposes. The Government supports the Victorian Development Corporation's financial aid and successful encouragement of those industries.

The Victorian Development Corporation should be congratulated upon its success. That is not to say that textiles and clothing overall are not in difficulty in competing with low wage countries abroad. Of course the Victorian Development Corporation is and the Government has to take account of—as the Crawford report says—the degree of restructuring, provided that it is done gradually and with plenty of time for retraining, if that is possible, and relocation.

Mr Jolly—And the relevant alternative industries.

Mr HAMER—Quite right. However, it all has to be done on an over-all basis. It is no good adopting a sweeping attitude that they are not growth industries and, therefore, the Victorian Development Corporation should not help them. The Government does not accept that argument which is patently false and misleading.

The debate has ranged over a wide field. The honorable member for Essendon also remarked upon submissions made by the Victorian Manufacturing Industries Council to the Crawford inquiry. The Victorian Manufacturing Industries Council is sponsored by the Government. The council consists of members from the Government, industry and the Trades Hall Council. It is a valuable council and it is supported in turn by the research units of the Department of the Premier so that it has a certain amount of expertise and the recommendations that have been applauded came from Government sources. I am glad that in this instance the Trades Hall Council, manufacturing industry and the Government are getting together in a tripartite way to formulate a manufacturing industry policy for the State.

Mr Simpson—Will you make a comment upon the telephone call that was raised by the honorable member for Burwood?

Mr HAMER—I will come to that. I am trying to deal with the important issues raised by the debate. The Government compliments the Victorian Development Corporation upon its first six years of operation, its report and the high level of support which it has managed to provide to decentralized industry. It is not the only instrument of decentralization; it is one of the instruments.

There are other instruments of decentralization administered through the department, but the Victorian Development Corporation, in making finance available, in advising the Treasury to give guarantees and, above all, in encouraging and investigating and helping small industry, has an unparalleled

record. I thank the National Party especially because many of its members know how well the corporation functions.

The proposed amendment would only hamstring the corporation. The Government will not hamstring it in that way. The Government is not prepared to have inserted into an Act something which is better dealt with by the corporation itself in its own structure.

The Crawford report is excellent. The report included references to such eminent names as the honorable member for Dandenong's predecessor and advocate for the Australian Council of Trade Unions, Mr Hawke.

Mr Simpson—The member elect for Wills!

Mr HAMER—Mr Hawke may be the member for Wills one day, but at the moment he is President of the Australian Council of Trade Unions. He was a member of the Crawford study group and there is one clear lesson to be learned from that group, and it has been taken to heart, that the real future of industry in Australia, especially in Victoria, lies in expanding its manufacturing base. That is one of the principal objectives of the Bill, to allow the Victorian Development Corporation to play its part in supporting those industries which have an export potential and, in turn, an employment potential.

The honorable member for Essendon is still up in the clouds with his sweeping condemnation of the textile industry. There are a lot of viable textile industries in Victoria and in Australia and it cannot be condemned or wiped out.

I come finally to the question which I have been asked to comment upon. I am unaware of the circumstances, but it is perfectly open to an honorable member to discuss with a statutory corporation or a department anything he wants to. However, it is an ordinary courtesy to inform the Minister so that he can make available whatever is required. That was not done in this case and, therefore, I am unable, of my own knowledge, to answer the question as to what really happened. That is an ordinary courtesy which might have been taken.

The Government would always make officers available for members of the Opposition to discuss Bills with and to produce what documents they want. The Government has never done otherwise. I do not know the circumstances and I am not prepared to ask the honorable member for Burwood without knowing them. Members of a department or authority should not discuss what other honorable members do, but I do not know what happened.

The Government opposes the amendment. I thank those honorable members who have supported the Victorian Development Corporation and have praised its efforts. It is a most dedicated body and those honorable members who have sought to denigrate it have only covered themselves with ignominy.

The House divided on the question that the words proposed by Mr Jolly to be omitted stand part of the motion (Mr A. T. Evans in the chair).

Ayes	44
Noes	31
Majority against the amendment	13

AYES

Mr Austin	Mr McInnes
Mr Balfour	Mr McKellar
Mr Birrell	Mr Mackinnon
Mr Burgin	Mr Maclellan
Mrs Chambers	Mrs Patrick
Mr Coleman	Mr Ramsay
Mr Collins	Mr Reynolds
Mr Crellin	Mr Richardson
Mr Dixon	Mr Skeggs
Mr Dunstan	Mr Smith (*South Barwon*)
Mr Ebery	Mr Smith (*Warrnambool*)
Mr Evans (*Gippsland East*)	Mr Tanner
Mr Hamer	Mr Templeton
Mr Hann	Mr Thompson
Mr Hayes	Mr Trewin
Mr Jasper	Mr Weideman
Mr Jona	Mr Whiting
Mr Kennett	Mr Williams
Mr Lieberman	Mr Wood
Mr McArthur	*Tellers:*
Mr McCance	Mr Brown
Mr McClure	Mr Cox
Mr McGrath	

NOES

Mr Cain	Mr Remington
Mr Cathie	Mr Roper
Mr Crabb	Mr Sidiropoulos
Mr Culpin	Mr Simmonds
Mr Edmunds	Mr Simpson
Mr Ernst	Mr Spyker
Mr Fogarty	Mr Stirling
Mr Fordham	Mrs Toner
Mr Gavin	Mr Trezise
Mr Ginifer	Dr Vaughan
Mr Hockley	Mr Walsh
Mr Jolly	
Mr King	Mr Wilton
Mr Kirkwood	*Tellers:*
Mr Mathews	Dr Coghill
Mr Miller	Mr Rowe

The motion was agreed to.

The Bill was read a second time and committed.

Clauses 1 and 2 were agreed to.

Clause 3 (Amendment of No. 8428 section 11 (2))

Mr JOLLY (Dandenong)—I move:

Clause 3, line 27, omit "and interstate" and insert "interstate and locally."

The Opposition strongly supports the concept of the Victorian Development Corporation and has done so even before the Victorian Government adopted the principle and established the corporation. Speaking to the amendment, the reason for including the word "locally" is basically twofold. Quite clearly, investment expenditure in this State and across Australia is growing at a slow rate. We need to promote investment locally, as well as from interstate and overseas, because it should be remembered—I emphasize this to the Premier—that even local investment sources go out of the State to interstate areas. I remind the Premier that the State Insurance Office as at 30 June 1978 had invested $96 million in interstate semi-Government securities.

Clearly, investment goes beyond State boundaries and, just as local sources of investment can go beyond Australia, it would be appropriate to ensure that local sources are used for State investment opportunities. That is the reason for proposing the amendment.

Mr HAMER (Minister for State Development Decentralization and Tourism)—It would be unwise to accept the amendment. In short it would mean a simple dilution in the efforts of the Victorian Development Corporation. For the benefit of honorable members I shall explain why. The activities of the Victorian Development Corporation are first and primarily the development of country industry.

What the honorable member for Dandenong is proposing is that the amendment widens its powers to try to enhance investment industries to take on the local investment industry as well. That can only mean a devolution of its efforts into the metropolitan area, an area which the Government is trying to avoid.

It is one thing to obtain investment funds from interstate and overseas, which is what we are talking about, but the aim of the Government is to have the investment that is obtained made in country Victoria. That is the object of the corporation and the efforts of the Government are in that direction. The last thing that the Government would want the Victorian Development Corporation to do is to get into the field of developing local industry in the metropolitan area.

For that reason the amendment is not accepted; it would mean a dilution of effort. After all, the resources of the Victorian Development Corporation are fairly limited. The Government has been able to provide, out of loan funds, an amount of between only $5 million and $6 million a year, although that is a revolving fund and is building up. It is impossible to take on a whole field of investment, but what the Government wants is to attract new investment from overseas and interstate, so far as it is possible, and to locate that investment in country areas. That is a good enough task for any body of this type without having a whole range of local industry involved as well. For those reasons the amendment should be rejected.

Mr HANN (Rodney)—The National Party supports the Government in opposing the amendment. During the second-reading debate, I expressed concern over the fact that if the objectives of the corporation were changed to take away its promotion of country industry, that would be a bad move for country Victoria. I am pleased that the Premier

has reinforced previous statements on Government policy, that it wants to promote decentralized industry in this State.

I do not believe there is a need for an investment of this type, and the National Party is opposed to it on the basis that it may expand or take the Victorian Development Corporation into the City of Melbourne and, with its limited resources, that is not appropriate at this stage.

Mr JOLLY (Dandenong)—The Premier appeared to put contradictory arguments. The honorable gentleman said that it will dilute the role of the Victorian Development Corporation and its effect, and he then went on to state that the Victorian Development Corporation was operating over a whole range of investment sources, including local sources. I venture to suggest that the Victorian Development Corporation would recognize that the Opposition is trying to prevent investment funds from moving out of Victoria to other States or overseas. The Opposition is concerned about any proposal which allows investment funds to go out of the State and that is the reason why the Opposition has proposed the amendment.

The amendment was negatived, and the clause was agreed to, as was the remaining clause.

The Bill was reported to the House without amendment, and passed through its remaining stages.

MOTOR CAR (INSURANCE BY PENSIONERS) BILL

Mr THOMPSON (Treasurer)—I move:

That this Bill be now read a second time.

Its main purpose is to clear up a legal doubt which has arisen as to the power of the Governor in Council to fix concessional rates for pensioners in relation to the payment of third-party insurance premiums. Earlier this year a clear undertaking was given by the Premier that a concession of 50 per cent would be introduced for pensioners. Section 71 of the Motor Car Act covers the regulation of premiums and says that the Governor in Council may fix premiums on the recommendation of the Premiums Committee. The Premiums Committee consists of seven people, one being the Government Statist, one representing the State Insurance Office, two people representing the insurers and three representing the owners of motor cars. Over the years premiums have been fixed by the Governor in Council on receipt of recommendations from the Premiums Committee. This proposal, however, is somewhat different from anything previously envisaged. Doubt was cast on the ability of the Premiums Committee to make recommendations in relation to pensioners. In view of this legal doubt it was thought wise to introduce legislation in the Parliament.

The people who will qualify for this concession are aged, widowed and invalid pensioners who possess the necessary card qualifications from the Commonwealth and who at present qualify for municipal rate concessions. It is a small Bill and it is hoped the House will give it a speedy passage so that this eagerly anticipated concession for pensioners can be introduced as from 1 January 1980. I commend the Bill to the House.

On the motion of Mr FORDHAM (Footscray), the debate was adjourned.

It was ordered that the debate be adjourned until Tuesday, December 12.

COMMERCIAL GOODS VEHICLES (AVIATION FUEL) BILL

The debate (adjourned from November 15) on the motion of Mr Maclellan (Minister of Transport) for the second reading of this Bill was resumed.

Mr CRABB (Knox)—I welcome this Bill and the use of the pipeline from Altona to Tullamarine for the transport of aviation fuel, which is overdue. The people of the northern suburbs have asked for a long time for this pipeline not only for the transportation of the aviation gasoline but also for the transportation of petroleum products. It is meant to be a multi-product pipeline and

that is what the Government has promised the community, particularly people in the suburbs which are severely disadvantaged by the large number of fuel tankers on the already overcrowded roads. The honorable member for Broadmeadows will probably allude to this matter presently.

The Opposition welcomes the Bill which removes an as of right licence in respect to the carting by road of aviation gasoline to Tullamarine, and ensures that the pipeline will be used to the maximum extent possible. It will remove a number of tankers from the already crowded western suburbs roads and will go part of the way towards alleviating the problem. However, this is by no means the end of the matter because the Government must uphold its commitment that this will be a multi-product pipeline, at least from Altona to Somerton. I invite the Minister to give a commitment to the people of the western suburbs and the northern suburbs so that they may feel confident about their expectations of a multi-product pipeline.

Mr McINNES (Gippsland South)—The National Party welcomes this Bill which puts into practical effect the need to control road transport by tanker to the greatest extent. A pipeline to the Tullamarine airport which is the greatest user of aviation fuel is extremely sensible. The Bill does not prevent road haulage of hydraulic and sundry oils, and presumably aviation gasoline as opposed to aviation turbine fuel, for the operators at Tullamarine and Essendon. In due course it will probably be necessary to ensure that an arm of this pipeline services Essendon Airport because it is now the trend for turbine fuel to be used much more widely in small aircraft as Avgas becomes more difficult and costly to obtain. It is interesting to note that because of limited supplies of Avgas in Australia the industry has been suffering problems in the past few months.

The pipeline will serve another useful purpose in extending to Somerton which will act as a filling point for tankers moving northwards. It is a sensible method of moving a highly volatile and potentially dangerous commodity. The National Party offers no objection and hopes that this trend will continue. VicRail is part of the company involved in the movement of fuel and the pipeline concept will obviously extend in due course far beyond the present parameters of aviation fuel.

Mr WILTON (Broadmeadows)—I register the real disappointment of the Opposition that it is apparent that this whole project will be completed in stages. Some time back, when the Minister for Minerals and Energy first released the information that applications had been lodged for permits to construct a pipeline and storage facilities at a site located in Somerton, the Broadmeadows City Council was keenly interested in the project because for many years it has had a serious problem of a large number of road tankers using as a main outlet for the City of Melbourne, Pascoe Vale Road which runs through the centre of the city of Broadmeadows and through one of its largest shopping centres. Over the years Ministers have been invited to the area to see for themselves the seriousness of the problem, not only because of the ever-present danger of a serious accident occurring, but also because of the noise problem. Members of the Opposition concede that just the removal of tankers will not solve the noise problem but it will make a contribution towards solving it.

When correspondence first came to the Broadmeadows City Council from the Department of Minerals and Energy, the wording of the letter indicated, and I have read the correspondence in question, that the project would be completed in one stage. It is understandable that the officers of that council gained that impression from the letter. It was to be a Government and private enterprise venture with VicRail being established as a company to own and operate the pipeline from Altona to Somerton, and the private enterprise sector to provide storage facilities at Somerton. People in the area concerned gained the impression that this would be done in

one stage and were pleased with the prospect of the day in the not too distant future when this dangerous cargo would not be transported by road through the City of Broadmeadows.

Honorable members who represent portions of that city will have received correspondence and personal representations from many constituents who constantly express fears not only for personal property but for loss of life as a result of serious accidents. Fortunately, to date those things have not happened but those people live in the knowledge that if they happened it will be extremely disastrous because of the built-up area which the main road traverses.

At present private enterprise is prepared to provide sufficient storage facilities only for turbine fuel. It will be transported by pipeline to the Somerton site and from there to Tullamarine jetport. A considerable number of road tankers service the northern part of Victoria along the Hume Highway to centres in that area. If this project had been carried out in one stage, those tankers would have needed to come down only to Somerton to be loaded, and this would have avoided the necessity to traverse the built-up suburban areas.

The Opposition is disappointed that the Government is not using its resources to impress upon private enterprise that, in the interests of safety and better economic management, a capital investment should be made now. I appeal to the Minister to re-examine the situation with a view to seeing what influence he and the Government can have on the oil companies to step up the programme of installing these storage tanks on the Somerton site. From my understanding, the only delay is that all of the hydro-carbon fuels cannot be transported through the pipeline.

I also ask the Minister of Transport, as the Minister for Minerals and Energy is not in the Chamber at present, to raise with his colleague the matter I wrote to him about some weeks ago on behalf of the Broadmeadows City Council when I requested that the Minister receive a deputation. The council is most anxious to discuss the project with the honorable gentleman. It would be preferable if the Minister could meet representatives of the council and see for himself the problems that exist and the advantages that would be gained by the community if the oil companies stepped up their programme of installing these tanks. I have been advised that it will take five years before sufficient tank storage facilities will be available at Somerton to enable all hydro-carbon fuels to be transported by pipeline, which would obviate the necessity of road tankers travelling beyond Somerton to receive cargoes for the various regional centres in Victoria. We are disappointed in the rate of progress that has been made. We believe that in the initial stages when the project was first announced it was intended to complete the project in one stage but for unknown reasons, it will be completed over a number of years.

If my information is correct, the line that now exists is adequate to cope with the expected load capacity so the only thing that is missing is the storage facilities at Somerton. If they are to be the responsibility of the oil companies, I ask the Minister whether he is prepared to examine the oil company programme plans for installing these tanks to see if it can be speeded up, even to the extent that the Government makes some financial contribution to the project.

If the Minister would be kind enough to confer with his colleague as to what happened to my request for a meeting with the Minister for Minerals and Energy I would appreciate that because the Broadmeadows City Council is anxious to have discussions with the honorable gentleman with a view to impressing on him the serious situation within the City of Broadmeadows. I am sure that many other areas south of Broadmeadows are equally concerned.

Mr GINIFER (Keilor)—I support the remarks made by my colleague, the honorable member for Broadmeadows. Not only are the citizens of Broadmeadows

involved through the detrimental effects on their lifestyles caused by heavy tankers and heavy transports which go off the Tullamarine Freeway at the Glenroy interchange, travel down Pascoe Vale Road to the Glenroy shopping area and then on to Barry's Road through to the Hume Highway, but other dangers arise because of the unpredictable position regarding the third lane on the freeway. As well as problems associated with breakdowns on that third lane going north, tankers come on to the freeway from the Yarraville–Newport area and also from the Kensington area and the transport of Avgas by pipeline to the airport and the movements of these volatile substances to the northern part of Victoria.

The Government should impress upon the oil company interests involved in the proposal to build storage facilities in Somerton that they could also provide for the bulk transport of those volatile substances by rail to the northern parts of Victoria and thereby lessen the number of heavy transports and tankers using the Hume Freeway and the long-term effects of wear and tear on the roads. This cargo could be taken off the freeway and transported by VicRail.

I ask the Minister to use his best offices to induce the consortium responsible for the pipeline, which is referred to as the VicRail pipeline, to complete this proposal as soon as possible, to assist not only the residents of Broadmeadows and the Broadmeadows City Council but also the motorists who have to use the roadways on the way to Tullamarine. I support the proposal of the honorable member for Broadmeadows and the submissions made by the municipalities in the northern suburbs of Melbourne.

Mr MACLELLAN (Minister of Transport)—I thank the honorable members for Knox and Gippsland South for their support of the Bill and its speedy passage. I inform the honorable member for Broadmeadows that I shall discuss with the Minister for Minerals and Energy the matter he raised in regard to meeting with the Broadmeadows City Council and shall attempt to raise with the oil companies the matter of providing additional storage facilities at the other end of the pipeline to make better use of it. I think the honorable member for Keilor supported that view. As a result of the business franchise petroleum products legislation, I have friendly relations with the oil companies and can use that friendly atmosphere to discuss matters with them. I shall at a suitable time discuss the matter in the creative and positive atmosphere that developed between us as we discussed the delicate subject of money. I hope this will be the first of similar initiatives.

The honorable member for Knox invited me to give an undertaking to the citizens of the northern suburbs, but the best the Government can do is perform rather than promise. This will be the first chapter of further programmes. I accept from honorable members their good wishes for the project and the hope we can develop other initiatives in this field.

The motion was agreed to.

The Bill was read a second time, and passed through its remaining stages.

The House adjourned at 6.26 p.m.

QUESTIONS ON NOTICE

The following answers to questions on notice were circulated—

MENTAL HEALTH AUTHORITY REPORT

(Question No. 525)

Mr KIRKWOOD (Preston) asked the Minister of Health:

When the report of the Mental Health Authority for the year 1978 will be presented to Parliament?

Mr BORTHWICK (Minister of Health)—The answer is:

The Health Commission of Victoria took over the duties and functions of the Mental Health Authority in December 1978 and the report on the activities of the authority for that portion of the year will form part of the first report of the Health Commission of Victoria which is to be tabled in the Parliament in the near future.

SCHOOL LEAVING AGE

(Question No. 1312)

Mr GAVIN (Coburg) asked the Assistant Minister of Education, for the Minister of Education:

1. When the school leaving age was last raised?

2. How many children left school before they turned sixteen years of age in each of the past three years?

3. Whether he has considered raising the school leaving age?

4. Whether the raising of the school leaving age by one year would necessitate the employment of extra teachers; if so, how many?

Mr LACY (Assistant Minister of Education)—The answer supplied by the Minister of Education is:

1. The school leaving age was raised to fifteen years at the beginning of the school year in 1964.

2. The information is derived from the school census conducted in August each year.

The estimate of school leavers:

Year	*Number of pupils*
1975–76	14 200
1976–77	14 600
1977–78	12 400

3. Reports put before me on this matter indicate the following:

(*a*) Currently over 77 per cent of the fifteen year olds at school at census date for schools in any one year proceed on to the next year of education.

(*b*) If the school leaving age were raised to sixteen years matters requiring consideration would be—

(i) the effect upon students leaving school to enter apprenticeships. On average most fifteen year olds are in year 10 of education. Many students who complete year 10 in Technical Schools proceed to apprenticeship. Therefore raising the school leaving age would need to be considered in relation to consequent affects upon apprenticeship.

(ii) to cater for the additional students compelled to continue at school for the additional year it would be necessary to devise different types of courses for their needs.

(iii) many of the students compelled to remain for the additional year would lack both the personal and parental motivation.

(*c*) The matter enquired about is currently within the ambit of a widely publicised Ministerial Review of Education Policies and of a review of Transition Education policies in particular.

4. Raising the school leaving age by one year would necessitate the employment of extra teachers, but the precise total is incapable of calculation at this stage. For some schools the enrolment increase may not be sufficient to generate a demand for extra teachers.

If enrolments increased by 12 000 it could generate in the first instance an additional demand for some 600 to 800 teachers. However, in the event of a number of the 12 000 proceeding beyond one additional year, thus lifting the school retention rate in the final years of secondary education, then the demand for teachers would grow substantially.

LIBRARIES

(Question No. 1407)

Mr CATHIE (Carrum) asked the Minister of the Arts:

What action has been taken to date to implement clauses 6.6, 6.7 and 6.8 of the draft policy in the report of the inter-departmental committee on joint-use libraries?

Mr LACY (Minister of the Arts)—The answer is:

Clause 6.6—The report recommends that municipal and school authorities contemplating establishing joint-use libraries should seek early consultation with the Public Libraries Division of the Library Council of Victoria and the Library Branch, Education Department.

The action taken to implement this is as follows:

(i) each municipal council has received a copy of the report from the Library Council.

(ii) the Education Department has distributed copies of the report to each regional directorate.

Clause 6.7—This clause recommends that the Library Council and the Education Department should help establish a general climate of encouragement for local initiatives regarding joint-use libraries and should provide expert advice.

The action being taken is as follows:

(i) The Library Council has held a Seminar at which both Library Council and Education Department officers spoke. The seminar has been widely reported in various news sheets and journals. Some of the papers given are being published in professional journals.

(ii) Officers from both central organizations in the course of their many contacts with schools and municipalities publicize the IDC Report and the advice and assistance available.

Clause 6.8—The report recommends that the two central authorities should provide Standards for joint-use libraries.

The action taken is as follows:

(i) a standing committee of a representative of each of the two central authorities has been proposed.

(ii) it is suggested that such a committee will meet monthly and that one of its terms of reference will be: "To report on ways and means by which standards for joint-use libraries might be drawn up, published and promoted".

LIBRARY SERVICES

(Question No. 1549)

Mr CATHIE (Carrum) asked the Minister of the Arts:

How many local government and regional library services have cut back the level of their services this financial year, indicating in each case—(*a*) the library; (*b*) the reduction in the book vote from the previous year; (*c*) the reduction in staff in comparison with the previous year, indicating whether of a permanent or temporary nature; (*d*) any other services affected and the nature of these services; and (*e*) the population served?

Mr LACY (Minister of the Arts)—The answer is:

Many of the councils operating public libraries have not completed their budget procedures and because of this it is not possible to obtain a complete view of likely cutbacks at this time.

TECHNICAL AND FURTHER EDUCATION

(Question No. 1581)

Mr AMOS (Morwell) asked the Assistant Minister of Education, for the Minister of Education:

In respect of questions Nos. 1453, 1454, 1455, 1452, 1451, 1450, 1456 and 1449, respectively, to which the Minister answered are within the ambit of a widely publicized ministerial review of education policies and question No. 1458 to which the Minister answered that ways and means or organizing and delivering TAFE services to greatest advantage are currently under review, whether the Minister will arrange to answer each question specifically and advise the member for Morwell when the review is completed?

Mr LACY (Assistant Minister of Education)—The answer supplied by the Minister of Education is:

When the reviews are completed the results will be fully publicized.

EXPORT MEAT REGULATIONS

(Question No. 1673)

Dr COGHILL (Werribee) asked the Minister of Agriculture:

In respect of amendments to export meat regulations to allow shipments of game meat from field-shot animals for human consumption:

1. Whether such game meat is subject to Victorian legislative controls, indicating the details of those controls?

2. Whether any amendments to Victorian Acts or Regulations are proposed to facilitate the application of the amended export meat regulations; if so, what are the details?

Mr I. W. SMITH (Minister of Agriculture)—The answer is:

1. The Press statement relating to the Export Meat Regulations made by the Minister for Primary Industry indicated that export markets existed for meat from field-shot feral pigs and kangaroos. Feral pigs (but not kangaroos) are subject to the legislative provisions of the Abattoir and Meat Inspection Act and Regulations. Game meats are subject to the legislative provisions of the Health Act.

2. No.

Legislative Council

Thursday, 6 December 1979

The PRESIDENT (the Hon. F. S. Grimwade) took the chair at 11.3 a.m. and read the prayer.

COMMERCIAL GOODS VEHICLES (AVIATION FUEL) BILL

This Bill was received from the Assembly and, on the motion of the Hon. D. G. CROZIER (Minister for Local Government), was read a first time.

QUESTIONS WITHOUT NOTICE

PARLIAMENT HOUSE PHOTOCOPYING FACILITIES

The Hon. W. A. LANDERYOU (Doutta Galla Province)—Yesterday, I directed a question to you, Mr President, in your capacity as presiding officer of the House. By arrangements with the Minister for Local Government, documents were given to me in order to facilitate the passage through the House of a piece of legislation which I assume the Government judges to be urgent.

I asked a member of my staff to arrange for those documents to be photocopied using the facilities available in Parliament House. She was unable to have them photocopied. Somewhere along the line, someone made the decision that because the documents were marked "confidential" they should not be copied. I suppose it must cost the taxpayers of the State something like $150 000 to maintain the office of Leader

of the Opposition of this place and all the other facilities which go with it. Yet, my staff and I are denied facilities to photostat material which was essential in terms of the urgency of the matter so that I could confer with my Leader and another colleague.

Mr President, would you endeavour to raise this matter with the appropriate authority, either the House Committee or the Speaker in another place, with the aim of ensuring that not only I but also other members of this place are given the facilities to which we are entitled.

The PRESIDENT (the Hon. F. S. Grimwade)—I thank the honorable member for raising this matter. I shall certainly speak to the Speaker of the Legislative Assembly and, if it is appropriate, to the House Committee to see whether the rules governing the photocopying of this sort of material can be changed for the convenience of members, as I know how irritating it can be when this facility is denied.

SCHOOL CURRICULA

The Hon. B. P. DUNN (North Western Province)—Is the Minister of Education aware of the severe restrictions on curricula which are being caused in many secondary schools throughout Victoria, particularly smaller secondary schools, by the staffing ratios that now exist because of the falling enrolments at those schools?

Is the Minister aware that many of these schools will find it necessary next year to offer courses through correspondence because of these restrictions on curricula? Will the Minister urgently examine the situation to assess it with a view to reconsidering the staffing formulas and establishments to overcome this problem in the next school year?

The Hon. A. J. HUNT (Minister of Education)—I am aware that smaller schools have greater difficulty than larger schools in staffing a particular curricula range. It is self-evident that, inevitably, there must be less flexibility with fewer teachers. I am also aware that falling enrolments and declining staff entitlements are a further factor in limiting the curricula which may be offered. Another factor which limits curricula is the staffing policies adopted by the Victorian Secondary Teachers Association.

SALINITY

The Hon. J. W. S. RADFORD (Bendigo Province)—I ask the Minister of Water Supply whether the report on salinity works priority has been received yet.

The Hon. F. J. GRANTER (Minister of Water Supply)—The answer is, "No". I contacted the Chairman of the Water Commission this morning and he informed me that the summary report, which will be available to members of Parliament, has not been received to date. However, as soon as it is received, the document will be tabled as I have already promised.

MELBOURNE AND METROPOLITAN BOARD OF WORKS COMMISSIONERS

The Hon. D. R. WHITE (Doutta Galla Province)—I direct my question to the Minister of Water Supply. Is it correct that, at the time of the reconstitution of the Board of Works, the Premier issued a statement saying that councillors, former commissioners and the new area commisioners would still have the same right of access to the Board of Works and its offices, and that local councillors would also have the same rights as those existing before the reconstitution of the board? Can the Minister inform the House of the policy of the Government towards the rights of area commissioners and officers of local council to have access to the Board of Works?

The Hon. F. J. GRANTER (Minister of Water Supply)—I cannot recall in detail the press release made by the Premier on the occasion of the reconstitution of the Board of Works. However, I have always endeavoured to impress on the board the need to make information available to area commissioners and to give them access to officers of the board when it is needed. If there is any trouble in this respect, I shall be prepared to take it up with the chairman of the board.

AUSTRALIAN HISTORY STUDIES IN SCHOOLS

The Hon. B. A. CHAMBERLAIN (Western Province)—As the Hamilton City Council has put to me the view that insufficient attention is being given to the study of Australian history in Victorian schools, will the Minister of Education have the curriculum in this area examined and make an assessment or obtain advice on whether scope exists for an increase in emphasis on the study of Australian history?

The Hon. A. J. HUNT (Minister of Education)—The answer is, "Yes".

USE OF COAL FOR ENERGY

The Hon. E. H. WALKER (Melbourne Province)—I direct a question to the Minister representing the Minister for State Development Decentralization and Tourism. I note in this morning's press that the Prime Minister, Mr Fraser, is said to be in favour of private investment in power stations. The State Government must have been involved in some discussion on this matter because another two aluminium smelters are to be built in Victoria, one of which will possibly be at Hamilton. Will the Minister consider reviewing the decision to spend $100 million to bring power from Loy Yang to Portland in favour of having those two aluminium companies in the west of the State invest in a power station using local brown coal as the energy source rather than taking a major power line across the State, which is visually upsetting and poses a conservation problem?

The Hon. D. G. CROZIER (Minister for Local Government)—Firstly, I can express only a personal view on the interesting question asked by Mr Walker. Certainly, I agree with him that a large power station of the size and scale which is needed to bring power to the proposed aluminium smelter development in Portland, namely a 500-kilovolt duplicated power line, is hardly a thing of aesthetic beauty. Nevertheless, there is no practical alternative.

Mr Walker referred to using local brown coal; possibly he intended to refer to the newly publicized deposits of steaming coal in the south-east of South Australia and presumably in the south-west of Victoria. That is an attractive proposition in the long term, but, as my colleague, Mr Chamberlain, interjects, the studies in evaluating those reserves are not yet at a stage to quantify the deposits. However attractive that proposition is—and certainly in the long term it is a feasible alternative—it is a long way in front of us.

Secondly, the view expressed by the Prime Minister on private enterprise developing power stations is one which I philosophically support.

AVAILABILITY OF "HANSARD"

The Hon. K. I. WRIGHT (North Western Province)—I address my question to either the Leader of the House or perhaps you, Mr President, and it concerns the unavailability of *Hansard*. I understand that last week's issue of *Hansard* was promised for last Monday; it is now hoped that it will be available on Friday. All members of the House will agree that this is causing considerable inconvenience, and I ask what is being done to overcome the problem.

The PRESIDENT (the Hon. F. S. Grimwade)—There is indeed a delay in the printing of *Hansard*, which is exacerbated at this time of the year by the long sittings of both Houses of Parliament and the pressure that is on the Government Printer to print this and other documents.

I have had discussions with the Minister on this matter, and I hope that last week's *Hansard* will be available before the end of this week.

USE OF COAL FOR ENERGY

The Hon. H. R. WARD (South Eastern Province)—I direct to the Minister for Local Government, who represents the appropriate Minister in another place, a question which follows on from that asked by Mr Walker. In view of the success of the Saselburg, Sasel II and Sagunder projects in the conversion of coal for energy purposes in South Africa, will the Minister undertake to have assessed the quality of coal in the Korumburra district with the view of establishing a similar project to that which operates in South Africa, and

also having regard to the difficult monetary situation which now faces the OPEC countries and other lower developing countries?

The Hon. D. G. CROZIER (Minister for Local Government)—I am quite confident that the quality of the coal in the Korumburra district will be included as a subject of the joint feasibility studies now under way between the Commonwealth Government, the Governments of Queensland, New South Wales and Victoria and the Government of the West German Republic.

TEACHING SERVICE

The Hon. I. B. TRAYLING (Melbourne Province)—Can the Minister of Education inform the House whether it is his intention to implement the recommendations of the Victorian Secondary Teachers Association in respect of staffing of secondary schools on a needs basis rather than a roster system?

The Hon. A. J. HUNT (Minister of Education)—One of the prime considerations in staffing schools at every level, is, of course, needs. The greatest creator of those needs is the number of children in the school, although there are other factors, so numbers represent the first step and formulas are devised for different sizes and classes of schools. After the staffing entitlement according to the numbers is ascertained, a special look is taken at that school to determine whether it has additional needs by comparison with other schools, and needs based staffing therefore does apply.

The question, however, was whether I was prepared to implement the Victorian Secondary Teachers Association's particular recommendations. A fortnight ago, a group gathered outside this building protesting and requesting staffing according to needs. I saw a representative and received written submissions from a number of Victorian Secondary Teachers Association branches. When I analysed the submissions, it appeared that in all cases the total working week they envisaged as the basis of assessing their needs ranged from 26⅓ hours to 26⅔ hours. That was not teaching time. A total working week, including preparation and correction time and including other assigned duties at 26⅔ hours a week, or, worse, 26⅓ hours a week for 40 weeks of the year is an outrageous claim. The Government will not have a bar of that claim, nor would the public regard it as fair, having regard to the wages paid to teachers.

I have been asked by interjection about teaching time. That included teaching time ranging from 17 hours 30 minutes a week to 17 hours 50 minutes a week. That is not value for money. In fact, teaching time is governed by Regulation 24 of the Teachers Tribunal regulations, which provide for the hours teachers are required by regulation to work.

MELBOURNE AND METROPOLITAN BOARD OF WORKS AREA COMMISSIONERS

The Hon. N. F. STACEY (Chelsea Province)—Following the previous question asked by Mr White about area commissioners obtaining information from the Board of Works, will the Minister of Water Supply also obtain the views of the Chairman of the Board of Works on maintaining the necessary confidentiality which is usually observed by councillors within their municipalities?

The Hon. F. J. GRANTER (Minister of Water Supply)—Any views of the chairman on the matter should be communicated to me and dealt with by me.

THOMASTOWN POLICE STATION

The Hon. R. J. EDDY (Thomastown Province)—I direct a question to the Attorney-General, who represents the Minister for Police and Emergency Services in another place. As it is proposed to move the Criminal Investigation Branch at Thomastown police station to temporary buildings at the rear of Epping police station, and to increase the staff at Thomastown police station, which consists of three sergeants and seven other officers, what does the Minister consider to be the number of staff required to fully operate a 24-hour police station?

The Hon. HADDON STOREY (Attorney-General)—A question asked of a Minister in this House representing a Minister in the other place should be placed on notice to enable a proper answer to be obtained. Since Mr Eddy has asked his question during this period of questions without notice, I will undertake to pass it on to the Minister for Police and Emergency Services and ask him to provide Mr Eddy with an answer.

KEYSBOROUGH TROTTING COMPLEX

The Hon. I. B. TRAYLING (Melbourne Province)—I wish to move the adjournment of the House for the purpose of discussing the failure of the Government to exercise adequate Ministerial oversight and control over the Trotting Control Board.

Approval of the proposed discussion was indicated by the required number of members rising in their places, as specified in Standing Order No. 53.

The Hon. I. B. TRAYLING (Melbourne Province)—I move:

That the House do now adjourn.

In my opinion, trotting is a magnificent spectator sport. I have long been a fan of trotting which ranks very high amongst all spectator sports for thrills and attractions for those who are not interested in horse racing. At Moonee Valley there has been developed one of the finest trotting race complexes not just in Australia but in the world.

The thrust of my motion is to indicate that something is seriously wrong in the trotting industry and that the Minister for Youth, Sport and Recreation, through either negligence, ignorance or stupidity, or a combination of all three, has contributed to that affliction which the trotting industry suffers at present.

At the outset, I indicate that decisions and actions taken by the Trotting Control Board over recent years indicate to me that if Mr Cochran and the Trotting Control Board were a board of a public company, the shareholders would have long since dismissed them.

That is a broad statement and one which I regret making, but perhaps as I develop my argument it will become clear to every honorable member that the incontrovertible facts which I use to support my argument prove that something serious is wrong and lack of Ministerial action is a disgrace in terms of arresting the progress of the trotting industry in this State and that something should be done immediately.

It has been well canvassed in another place and in the media that something is wrong with the purchase of land at Keysborough by the Trotting Control Board. There is every indication that trotting is on the decline in this State, notwithstanding the magnificent complex at Moonee Valley, because of ailments which are developing resulting in an erosion of public confidence, confidence within the industy itself and by the direction in which the industry is being led by Mr Cochran and the board who are obviously supported by the Minister.

The matter I shall concentrate on most in my speech will be to disclose the economic stupidity of proceeding with the proposed Keysborough trotting complex as opposed to retaining and making more use of the existing Moonee Valley track.

It is worth mentioning at the outset that there may be a suggestion that the Minister for Youth, Sport and Recreation might not be sufficiently involved to properly supervise the activities of the board, but in every one of the annual reports which I have obtained, in the concluding part of the report, Mr Cochran, the chairman of the board, has this to say—I have received four reports going back over four years, the last one being for the year 1977–78:

> In closing the board would like to express its appreciation of your own efforts and those of the Director-General of the Department of Youth, Sport and Recreation for the guidance and assistance provided during the year thereby enabling the board to carry out its duties and functions in the manner entrusted to it by the Victorian Parliament and trotting patrons throughout the State.

The report is addressed to the Minister, and the chairman states unequivocally that he has had guidance and support

from the Minister. A Minister could not receive a better compliment than the words used by the chairman.

I want to concentrate now on why it would be an act of economic madness to proceed with the proposed trotting complex at Keysborough. The expenditure at Keysborough is projected to be of the order of $14 million to $15 million at this stage, although the possibility exists, as all honorable members know, as early projections of any large project may be underestimated, that the final expenditure could be very much in excess of that figure.

Anyway, I shall settle for the lower figure of $14 million. That $14 million is to provide under-cover facilities for 2800 patrons. I should like honorable members to remember those figures because they provide a stark contrast with the figures that support the proposition I am putting forward. The attendance projections used by the board allow for attendances of more than 12 000 from the early 1980s.

I am sure it will surprise every honorable member to learn that the Trotting Control Board, in putting up its economic justification for the proposal, has used an inflation rate of 5 per cent. How long is it since the rate of inflation in this country has been as low as 5 per cent?

The Hon. F. J. Granter—Not since Mr Whitlam took office.

The Hon. I. B. TRAYLING— We will not go into that one. For almost ten years the inflation rate has been far more than 5 per cent. As everyone knows, the present rate of inflation is approximately 10 per cent. It is possible to argue whether it is 9·1 per cent or 9·2 per cent, but it is not really a matter of contention. The inflation rate is approximately 10 per cent and it will not drop much below that in the next two or three years and, even if the very best possible result is obtained, in the foreseeable future it will not drop much below 7 per cent or 8 per cent. Despite all that, 5 per cent is the figure the board has seen fit to present in its projections. No sane person would accept that figure for the inflation rate when considering the expenditure necessary for a project of this size anywhere in Australia, but the Trotting Control Board, which is made up of supposedly intelligent and well-informed men, seriously used an inflation rate of 5 per cent in making its financial projections. That is unbelievable!

The board's projections are also based on an annual growth rate in the income it receives from the Totalizator Agency Board of 7 per cent. In 1976 the growth rate in the income received by the board from the Totalizator Agency Board was 6 per cent, which amounted to $4·203 million. In 1977 the growth in that income had dropped to 2·9 per cent. Honorable members should remember that I am measuring these figures against a projected growth rate of 7 per cent. In 1978, by which time one might have expected the trend to have been reversed and for the income to be on course for the 7 per cent, the growth rate in the income was further reduced to 1·4 per cent. This year, consistent with that trend of a falling growth rate in the income received from the Totalizator Agency Board, the figure is less than 1 per cent. In fact, the increase is so small that it almost matches the income from last year, which means that in real terms there has been a loss of approximately 10 per cent.

When contemplating the expenditure of millions of dollars and the finance that is needed to support a $14 million or $15 million complex, it is simply not possible to play around in the cavalier fashion the board has adopted in the figures it has supplied in an attempt to gain the Government's support for the project. The board's figures are out by millions of dollars. It means that when the board estimated that in 1987–88 it will have financial outstandings on the project of approximately $4·5 million, it is out in its figures by at least 100 per cent. There is no doubt that the projected outstanding for 1987–88 will at least be doubled.

I have been conservative in my adoption and use of figures and the figures I have used are factual. The estimate of the 1987–88 outstandings being double those claimed by the board has been arrived at as a consequence of figures that already exist. I repeat that

the board is 100 per cent out. It has used a projected inflation rate of 5 per cent and an annual growth in its income from the Totalizator Agency Board of 7 per cent, and both those figures are demonstrably wrong.

The figures I have given are factual, not suppositions and not projections. The board has had this knowledge for some time and the Minister has been aware of the situation, but the project is still programmed to proceed. Work has been done at Keysborough. Work is planned to be done there and it is progressing.

The Hon. N. F. Stacey—What work is proceeding? What decision has been made?

The Hon. I. B. TRAYLING—The honorable member should be patient. On the basis of an expenditure of $14 million, even using conservative figures, it will be necessary to pay interest at a rate of at least 10 per cent. I do not think there would be any hope of obtaining money on that sort of scale at an interest rate of less than 10 per cent. That means that $47 000 will be paid in interest for each of the 30 meetings proposed for Keysborough each year.

That figure becomes important if one understands that the average rental the board is now paying to the Moonee Valley Racing Club is $7800 a meeting for a track where there is cover for 16 000 patrons, not the 2800 proposed for Keysborough—seven times fewer. The cost of using capital will mean that each meeting will cost six times the amount that each meeting costs on a rental basis. I have used conservative figures and drawn conservative conclusions from them. As I said, if the Trotting Control Board were accountable to public shareholders, its members would not survive in office for a moment.

What makes it so imperative in the minds of the chairman and most members of the board that they get on with Keysborough as quickly as possible, which the chairman said it was in one of the reports? What is wrong with the facilities provided for trotting patrons and the industry at Moonee Valley? The facilities for the board at Moonee Valley, exclusive of the $2·8 million the board spent on the track, would today have a replacement value of approximately $10 million. Therefore, the rental the board is paying is less than 4 per cent of the capital investment at Moonee Valley. Any business that could secure a rental at that rate against that capital investment should be commended for genius, but the Trotting Control Board wants to discard that facility and opt for the obsession that has overtaken and been sustained by it to develop the huge white elephant that Keysborough would become.

I point out that the $10 million capital value of the facilities at Moonee Valley, including the stands, lighting and so on, does not include any allowance for the value of the land. If an amount for the land were included, the capital investment would be considerably higher and the percentage represented by the rental would be much less than 4 per cent. The Moonee Valley racing–trotting complex has ben acclaimed by people from many countries as being in the top half-dozen trotting complexes in the world. That is not my judgment, it is the judgment of experts from within and without this country.

It would be an act of madness for the board not to renegotiate a long-term lease with the Moonee Valley Racing Club—say, 40 or 50 years—on terms which could be agreed upon and which would make the Keysborough complex appear to be even more of a disaster that it does at present. It does not matter that the board does not own the track and the facilities if it has a long-term lease. What is the difference? The contrast in the figures is so stark that I find it hard to believe that this madness was not stopped long ago.

The Minister must bear a heavy responsibility for going along with the project. He has known about it for years. Until this year the board's financial statements were audited privately and the annual report was seen by the Minister but not by Parliament. The honorable gentleman has known about the project from the start. It has been said that the board does not have to confer with the Minister about a proposed purchase such as this, but so that

there can be no doubt that the Minister was aware of the project I point out that in 1975, in reply to a question asked of him in another place, the Minister said:

> The Board is in the process of purchasing 219 acres at Keysborough, close to the Keysborough Golf Course, at an estimated cost of $1·324 million.

That answer was given in 1975. It is now the end of 1979, so for more than four years the Minister has aided and abetted this insanity, this wasteful expenditure of money, that is piercing the very heart of trotting and eroding public and industry confidence in the board.

If the board or the Minister believe they have so much money to waste, I am sure worth-while projects could be found rather than paying three times the value of land to a privileged farmer who has been the recipient of the most magnificent financial benevolence anyone has received in a long time.

Moonee Valley is a centrally located trotting complex. It is currently attracting approximately 10 000 people to each meeting. Some excellent trotting complexes exist close to Melbourne. There are trotting complexes at Cranbourne, Geelong and Kilmore.

The Hon. H. R. Ward—Have you not heard of Bendigo?

The Hon. I. B. TRAYLING—Bendigo is a bit farther away. Plenty of alternative trotting tracks are available. Of course, the country trotting clubs are opposed to the scheme because they are interested in the future of trotting. One could not encourage people to travel 17 miles or more from the northern, western and inner suburbs to Keysborough when it is difficult enough to travel to Moonee Valley.

The attendance projection, which I have not used in estimating assessible income, would not be reached. There are not enough patrons to provide the suggested income from gate receipts. It is just not on. I would not even attempt to put a figure on the loss factor as against projections made by the Trotting Control Board. That is another "miscalculation" by the board to impress the Government that it should be permitted to proceed. It is a tragedy that that land has already been purchased at such enormous cost.

The board was not required by the Racing Act to present its report to Parliament. However, in recognition of a need to do so—it was a prudent thing to do—last year an amendment to section 47 of the Act was passed to require the Trotting Control Board to submit an annual report and balance-sheet to the Minister for Youth, Sport and Recreation by 31 October each year and for the Minister to table the report in Parliament. That was a requirement this year and, within three weeks of the receipt of that report by the Minister after the statutory closing time for its submission on 31 October, the Trotting Control Board is already in breach of that Act. Parliament has not received the annual report and it is five weeks after 31 October. I doubt whether the Minister has even received the report. If he has, why has he not complied with the Act and tabled the report in both Houses?

There are so many things wrong and it all gets back to the fierce obsession, the act of madness, to proceed with Keysborough no matter what the cost. There can be no doubt in anyone's mind, when one calculates the economic comparison between Moonee Valley and Keysborough, that it would be an act of gross mismanagement and stupidity to proceed with Keysborough.

I want to detail the Keysborough land affair which involved the purchase of land by the Trotting Control Board for its proposed trotting complex. The decision was taken in 1974. The transfer of title was lodged on 5 August 1975. There were three separate titles. The price was $1·423 million. Forty per cent of the land purchased by the Trotting Control Board is useless because it is zoned stream and floodway.

There are four categories for use of zoned stream and floodway land. The first is animal husbandry, and, of course, the board might take upon itself to run some fat cattle on that flood-prone land so long as it can get high ground during the winter, but that is not the board's charter and it is not in the business

of looking after cattle or sheep. The second use is agriculture. Of course, the board might commence on a share-farm basis a potato farm and derive some income but again, that is not the board's function. The third use is minor sports ground. Because the land is flooded for much of the year, the board might run boat or duck races or something of the kind on that 40 per cent of the land, but the board is not in the business of conducting boat or duck races; it is there to conduct trotting races. That category of permitted use under the zoning is of no use to the board. The fourth category is poultry farming and that might be the appropriate category because the chickens might come home to roost. There is no serious intention of running a chicken farm on this large tract of useless land for which the board paid $6500 an acre.

However, in the board's wisdom, several months after paying $6500 an acre for the land, 40 per cent of which is practically useless, at least the board was kind to the Country Roads Board when it sold a small portion of it to that board for $3800 an acre. That was closer to the real value of the land because the board could not hoodwink the Country Roads Board as it was either hoodwinked or involved in such financially benevolent behaviour. I suppose the board is of the opinion that it can splash its money and buy duck ponds and swamps. The Minister should be concerned about the duck ponds and swamps the board wants to buy, and particularly if a few months later the board sells land to another statutory agency for almost half the price that it saw fit to pay for it.

It is nice to know the board has respect for the intelligence of the Country Roads Board which was not so stupid as to pay the price that the Trotting Control Board paid for the land. The extraordinary aspect of that purchase at $6500 an acre was that the board sought no valuation. In 1974, a decision was taken to purchase Mr Keys' land, swamps and all. In the following years there was no attempt to obtain a valuation. All the available annual reports since 1974 include under "Current Assets" in the balance sheets, freehold land, $1·423 million at Keysborough. The board has solidly upheld the value in its own mind since that time. The value is stated in the annual report.

It is nice to think one is sitting on an asset worth $1·4 million, even if it is probably worth only one-third of that price, if one could convince some idiot bank manager that that is what it was worth and the manager was willing to lend money on it. However, no bank manager in Australia would lend the Trotting Control Board money against that sort of value because banks are more astute than has been the board.

I suspect that shortly members of the Trotting Control Board will discover that they will not be able to continue to fool themselves about the value. The board's failure to obtain a valuation has finally been exposed and it forced the board to seek a valuation a couple of weeks ago. It sought a valuation from a firm called Bissett Johnson Associates. The valuation comprises a four-page report which reconciles a valuation within an "approximation" of the price paid by the board.

Having read the report, I am compelled to quote one section so that members will understand how the reconciliation might have been made. At page 4 of the report, the valuer states:

> I am of the opinion that the purchase of the subject land is the best evidence of its value.

That is absolutely remarkable. One buys something for $10 million and, therefore, the price is the best evidence of its value, if one can get someone silly enough to pay it.

I do not want to reflect upon the professional ability or integrity of valuers, but it is necessary to quote that sort of statement in order to understand the basis upon which this reconciliation was made by the valuer appointed by the board to ascertain for the purposes of others, possibly even the bank from whom it intended to get a loan, that the land was worth as much as the board paid for it.

The Hon. F. J. Granter—How much did they quote as the valuation?

The Hon. I. B. TRAYLING—The valuation they quoted is $1·55 million, which is slightly in excess of the money paid in 1974. I shall not bore the House with what that means in an inflationary sense if one starts at the base year of 1974 and calculates what the valuation must be now in order to reconcile the base figure with inflation in a compounding way from that time.

It will not be necessary to do that. It will be shown, of course, even on this valuation, that the board paid too much for the land in 1974.

Another valuation was sought. It was not sought by the Trotting Control Board but by others. Remarkably, this highly respected valuer of the City of Melbourne, on giving a most detailed valuation of more than seven pages, did not reach a happy reconciliation with the board's own estimate of the value and the purchase price that it paid for the land. It is sad to say that this valuation, which was made by G. D. Sutherland Pty Ltd, of East Melbourne, concludes by saying:

> In my opinion the value of the above described property—

That is of the land:

> considering all relevant information available to the valuer at the date of valuation is $449 000.

That is a difference of $1 million between valuations. To be absolutely fair to all parties concerned, the valuer then adds an addendum to the valuation:

> Further to your request, we wish to advise that we have considered the value of the property as at 1974 and it is our opinion that the value of the property at that date, considering the zoning of the property at the time, is $725 000.

So the valuer has been fair. The property is worth only $400 000-odd today but at least then it was worth $725 000. However, that is still less than half the price that the Trotting Control Board so generously paid to the gentleman who owned the property. It would be difficult to find people generous enough to pay the sort of money that the board did in giving more than $1·23 million for that land. The gentleman who owned the property might honestly have thought that the organization might do something about the ponds, swamps, flood plains and so on, and make the land productive. This valuation treats the land for what it was, General Farming A. In my opinion, after consulting many people about it, and from my understanding of the criteria which valuers use under the Valuation of Land Act, there is no doubt that the board has been guilty of the grossest mismanagement and stupidity—I will not go further than that at this stage—in paying that price for that land.

I have obtained some sale prices of properties within the immediate proximity of the Keysborough purchase. I have been interested to learn what was paid for the acreage there as opposed to the $6500 that the board paid out of the money of losing punters. At an auction of land at Heatherton Park some time ago, but later than when the board purchased its land, 33·4 hectares or 85 acres sold for $160 250 in Pillars Road, Keysborough. That works out at $1885 an acre compared with the $6500 an acre paid by the board.

The Hon. J. A. Taylor—Is it flood prone?

The Hon. I. B. TRAYLING—Of course, if the land were flood prone it would not have brought $1885 an acre unless the purchaser was interested in poultry farming, duck ponds and the like. Other properties nearby in Springvale Road, Keysborough, and in Chapel Road, Keysborough, sold for $140·96 million at auction which works out at $2650 and $2690 an acre. This is slightly more than one-third of the price that the Trotting Control Board paid for Keysborough but more closely approximates the valuation of Sutherland of what Keysborough was worth then and what it is worth now.

I will not read the other prices because they are similar. There has been a remarkable and happily consistent record of sales of land for approximately $2000 an acre in that area, which is usually the main criterion for a land valuation. However, nowhere has land of the type that the board purchased fetched the mountainous sum of $6500 an acre.

Honorable members know that the Minister has requested a valuation of the land from the Valuer-General's Department. That action should have been taken at the request of the board five years ago, or, if not five years ago, at least for the benefit of including an item in the annual report under "Current Assets" in the balance sheet. To get a true value, the board should have sought a valuation from the Valuer-General's department. It has resisted doing so until the last moment. It did not request it. The Minister had to request it because he knows that a discrepancy of $1 million between one valuation and another suggests that something is wrong.

The Hon. P. D. Block—Are you suggesting that a valuation should be obtained each year of assets held for an annual report?

The Hon. I. B. TRAYLING—No, I suggest that the first one should be roughly right. I want to pose a few questions to the Minister of Water Supply which he may be able to answer during his response. What expenditure has been incurred by the board at Keysborough? What money has been paid to the firm of Costain Australia Ltd on proposals for the Keysborough land, and on whose authority? If the Minister has notes of the amounts that might be owing, I am sure they will be useful to honorable members.

In the same bracket, if there are any other imminent expenditures proposed, the House should be informed of them as well, because, although I am optimistic that sanity will finally prevail and that this white elephant will be knocked on the head as it should have been years ago, honorable members should at least be aware of what expenditure the board, in its reckless pursuit of this development, is still incurring and what it proposes to incur. Honorable members have a right to know that.

I conclude by appealing to the Minister and to the Government not to delay the axing of this project any longer, to get on with the business of axing it and to dispose of the Keysborough land at the considerable loss that will be incurred so that at least some revenue comes back to the board for more useful purposes. The board in its present form and composition or a changed one—one or two people should perhaps resign or be relocated when the decision is finally taken for the Keysborough project to be axed—should then direct its energies to developing Moonee Valley, to renegotiating a contract with the Moonee Valley Racing Club to ensure its tenancy for a long time. It is as vital to the Moonee Valley Racing Club as it is to the Trotting Control Board to mutually agree on terms for a long term contract. There is no impediment in the way of renegotiating except for the belligerent failure of the board to recognize the stupidity of past deeds, to bury them and to get on with the job of restoring trotting to the great spectator sport that it should be in the State.

The Hon. F. J. GRANTER (Minister of Water Supply)—Mr Trayling has moved a motion referring to the failure of the Government to exercise adequate Ministerial oversight and control over the Trotting Control Board. I do not believe he has demonstrated to the House that the Minister has not exercised the control that is imposed on him under the Act. I refer to the debate which took place on 23 April 1963, when the late Sir Arthur Rylah, who was then Chief Secretary, introduced the Racing (Trotting Control) Bill to the Legislative Assembly. As reported at page 3067, volume 270 of *Hansard* of that date, in introducing the Bill the then Chief Secretary said:

> The Board is not a legal entity and should legal proceedings be constituted by or against it, such proceedings would have to be in the name of individual members. If judgment were given against the Board, it would be against the members of the Board as individuals who would have to look to the Board for indemnity if that could be properly done. This is an undesirable situation which is being rectified by making the Trotting Control Board a body corporate. This will allow the Board to enter into contracts, hold real property and to do such acts as a body corporate is legally entitled to do in its own name.

That Bill was supported by all parties. On the resumption of the debate on 30 April 1963, Mr Stoneham,

the then Leader of the Opposition in the other place, is reported at page 3190 of *Hansard* as having said:

> I point out at the outset that the Opposition does not oppose the Bill.
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> . . . . . .
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> The Bill reconstitutes the Trotting Control Board and makes it a body corporate with perpetual succession, a common seal, capable in law of suing and being sued, and so forth. The Opposition has no objection to the proposals in the Bill.

Mr Moss, representing the Country Party, as it was called in those days, is reported as having said:

> This Bill was explained at great length by the Chief Secretary, and it has the support of the Country Party. Up to the present, the Trotting Control Board has not been a body corporate, and the liabilities and responsibilities of the Board were in fact the liabilities and responsibilities of the individual members. When the Board becomes a body corporate, those liabilities and responsibilities will rest with the Board.

As I said, the Bill was supported by members of all parties. The remarks of the Honorable R. W. Mack, the Honorable G. J. O'Connell and many others in the Upper House demonstrate that Parliament thought the Trotting Control Board should be a body corporate. It is a body corporate and a statutory authority.

As Mr Trayling said, the board was previously required to submit annual reports to the Minister by 30 September, and this date was amended by legislation passed in December 1978. The board is now required to submit the report by 31 October and the Minister must table it within three weeks or at least at the next available sitting, and that has not been done. The Government and the Minister acknowledge that, and the Minister, through the Director General of Youth, Sport and Recreation, has contacted the board, and I trust that the report will be submitted shortly. I do not know whether a similar situation applies to that which obtains with the Forests Commission, in that printing delays have been experienced. However, the report has not been submitted.

At the same time in 1978, the Government took the initiative of having the Act amended so that the accounts of the board would be audited by the Auditor-General. Previously the accounts were audited by a private auditor. The borrowings of the board must now be approved by the Minister and the Treasurer, and that has been the case since May 1977. These are all Government initiatives which will improve the operation of the Act and the control of operations.

Appointments of board members are made and their fees are set by the Governor in Council. If the Trotting Control Board wishes to borrow money or to spend more than $20 000, it must obtain the permission of the Racecourses Licences Board. This applies to the racecourses at Moonee Valley and the showgrounds; the Minister's approval must be obtained. The purchase of the land at Keysborough did not involve the Racecourses Licences Board because it did not borrow money for that purpose; the board had liquid investments of $1 million and paid cash over fifteen months.

It has been suggested in the House for a long time that a second venue for trotting should be established in the metropolitan area. Many debates have taken place on this matter. When Mr Cathie was a member of this House, he advocated that a second trotting venue should be established at Dandenong. However, the Government at that time stated that a good trotting venue already existed at Cranbourne and believed that that catered adequately for the area. Now a magnificent venue has been established at Moonee Valley, as Mr Trayling recognized. Forty-three meetings a year may be held at Moonee Valley and twelve at the Royal Agricultural Society's showgrounds.

Recently statements have been made by people who know a great deal about racecourses, particularly trotting tracks, who recently visited Australia. For example, Mr Stan Bergenstein, the director of Harness Tracks of America, and Mr Jack Baugh, the president of the United States Trotting Association, stated that the Moonee Valley track and amenities were equal to anything in the world and cannot be surpassed.

Probably a number of members read the statement in the *Herald* of 17 November in the column entitled

"Pacing Along" by Tony Nelson. The heading of the article was "Trot Kings Go for Moonee Valley" and that referred to the world-class racing drivers who recently visited Australia to represent their countries. The article stated that these drivers considered Moonee Valley to be a magnificent course, and I certainly agree with that statement.

I do not disagree with the valuations quoted by Mr Trayling—they are true and correct—but he also said that the Minister had sought a valuation from the Valuer-General on the land at Keysborough to satisfy himself and the Government of the true value. This was another initiative of the Minister. Mr Trayling will agree that there is no statutory right for the Minister to authorize the purchase of this land; the Trotting Control Board initially did not have to consult him. Today the board would certainly go to the Minister if it wished to make any purchase over $20 000.

The Hon. K. I. Wright—Will that valuation be tabled today?

The Hon. F. J. GRANTER—No, the valuation will not be tabled today; it has been requested, and valuers from the Valuer-General's Department are working on it full time. Naturally, the valuation will be thorough, and the valuers will also check all possible records of property sales to ascertain the prices that were being paid at the time the land was purchased in May 1974.

Mr Trayling mentioned that interest in trotting had perhaps fallen away because of uncertainty or lack of agreement among members of the Trotting Control Board and in the industry. He is correct up to a point about the funds received by trotting from the Totalizator Agency Board. However, that is not uncommon in the racing industry today, and that has been the case for the past year or so, because the racing industry has also been concerned about the fall-off in dividends from the Totalizator Agency Board. This has been caused by competition from Tattslotto and other gambling devices that are now available and which were not available a few years ago. Furthermore, people are not investing so much money in their racing ventures now.

At the outset I should have declared that, with a good friend, I have a small interest in a trotting horse; she has not won any large stakes yet, but we are always hopeful. I make that declaration, although it is probably not necessary to do so.

Mr Trayling referred to reports that are available to him and said that Mr Cochran, the Chairman of the Trotting Control Board, thanked the Minister and the Director-General for their guidance and support. This is a courtesy and something that is customary when delivering reports. I am sure Mr Cochran would not have discussed the Keysborough project when he wrote the report and handed it to the Minister.

Mr Trayling also said that the Keysborough venture would cost about $14 million. I do not know how he arrived at that figure; he may be correct, but I have my doubts. Nevertheless I will not go into that matter because I have not the information required, and it would need to be extremely detailed.

I should like to quote a statement by the Minister for Youth, Sport and Recreation, who stated:

> At no stage has the Trotting Control Board received my approval to proceed with the development of the Keysborough site as a trotting complex. The first proposals for development at an estimated cost of $9·3 million were submitted by the control board to my department in April, 1976. I referred the proposals for thorough evaluation by departmental officers.

Before any development takes place at Keysborough, the Minister will have to be satisfied that the project is viable; that is a responsible attitude that any Minister would take.

Mr Trayling further mentioned that 40 per cent of the area was virtually useless because it was flood prone. I asked Mr Stacey to contact Mr Don Thompson, Chief Engineer-Manager of the Dandenong Valley Authority, and seek his opinion on the land because the area is under the control of that authority. He stated that there was a sufficient area of the land for all the

works proposed under the project. I understand the trotting track, grandstand and amenities could be built on land that is not flood-prone.

Furthermore, the Dandenong Valley Authority would allow the Trotting Control Board to reshape the land by moving fill to the south and the flood zoning would then be removed. So far as flood-prone land is concerned, at times the Flemington racecourse has been seriously flooded and many racecourses are built in valleys and, at odd times, meetings are cancelled owing to the racecourses being under water.

Mr Trayling asked what expenditure had been incurred by the board on some work performed by Costain Australia Ltd at the Keysborough site, under whose authority it was done, and what amount had been paid or was owing. I am unaware of any amounts that may have been paid to Costain Australia Ltd at this date. There may be some payment due for road works—I believe I read that there was an account for road works but I do not know whether that was in conjunction with Mr Keys, the owner of the land adjacent to the property owned by the Trotting Control Board. I regret that I cannot make any more information than that available to Mr Trayling.

Summing up, however enthusiastic Mr Trayling has been in supporting the motion, he has not presented a case to uphold his argument that the Minister has been neglectful. The Minister for Youth, Sport and Recreation is an excellent Minister, terribly enthusiastic and a good administrator of his department. I am sure he will continue to be so for many years.

I assure the House that, before the Keysborough project proceeds, if it is proceeded with and that is up to the Minister and the Government to decide, it will be fully investigated. There was nothing untoward or hidden in the purchase of the land by the Trotting Control Board, because almost immediately the land was purchased press statements were released by the board and they were available for anyone to scrutinize. The plans were also submitted. Whether they were too ambitious is a matter of conjecture.

I cannot see how the Minister for Youth, Sport and Recreation is at fault and I ask the House to reject the motion.

The Hon. K. I. WRIGHT (North Western Province)—The House is debating a motion moved by Mr Trayling on the failure of the Government to exercise adequate Ministerial oversight and control over the Trotting Control Board. At the outset, my interest in trotting is limited to visiting one of the local trotting meetings about four or five times a year and discussions from time to time with my electorate committee on the future of trotting in Victoria, particularly as it affects country Victoria. That is the extent of my involvement in the trotting industry and I have no particular argument with the day-to-day management of trotting by the Trotting Control Board.

It is interesting to note the composition of the board. Mr R. G. Cochran is chairman. The other members are Mr L. G. C. Nicholas, Mr B. J. Ahern, Mr A. J. Bowles, Mr R. G. O'Shea, Mr W. J. Rose, who has been associated with the success of the Nhill Trotting Club, Mr C. R. Hepworth, who has been involved with the industry for many years as president or secretary of the Mildura Trotting Club, and Mr E. K. Bray. It is interesting that the membership of the board was different when the most highly controversial purchase was made, although some members of the present board were members of the board at that time.

The main thrust of the discussion today will be the purchase of the land at Keysborough for the development of the so-called headquarters for trotting in Victoria. As has been indicated, in 1974, an area of 86·6 hectares was purchased by the Trotting Control Board for $1·4 million from a Mr Keys—Mr Keys must have felt that all his Christmases had come at once. At the very least, there has been a lack of judgment

by the board and extraordinary circumstances have surrounded the deal. It may well be that honorable members still do not know the full story.

Obviously there has been a lack of Ministerial control and members of the National Party are critical of no valuation being made of the property at the time of the purchase. As Mr Trayling stated earlier, a valuation has been made giving an opinion of the value of the land at the time of purchase. That opinion was that the land was worth about half of what had been paid, in the vicinity of $700 000, but when the valuation was made, the land was worth much less than that.

I will be interested to see the valuation prepared by the Valuer-General. It would have been helpful during this debate if that valuation had been available for consideration. The matter is so important, that I hope senior officers of the Valuer-General's Department are carrying out the valuation.

The fact there was no reference to the Minister for Youth, Sport and Recreation at the time of the purchase is something about which the National Party is also critical. I mentioned, by interjection when the Minister of Water Supply was speaking, that the Minister for Youth, Sport and Recreation is obviously not very interested in racing. It is very seldom that we see the Minister at race meetings or that he is in a position to accept an invitation to attend a race meeting.

The Hon. R. J. Long—And if the Minister went to race meetings all the time you would still criticize him?

The Hon. K. I. WRIGHT—I would not. I commend the Minister of Water Supply for the interest he has exhibited in the sport and the manner in which he attends meetings throughout the State. I suggest that the honorable gentleman is the *ex officio* Minister of racing as he has shown a considerable interest in racing.

It has been indicated that 40 hectares of the land purchased is flood prone and subject to regulation by the Melbourne and Metropolitan Board of Works so the Trotting Control Board is restricted in the development that can take place on that land.

The Hon. R. J. Long—Is it 40 acres or 40 hectares?

The Hon. K. I. WRIGHT—My information is that it is 40 hectares but I stand to be corrected. Whether it is 40 acres or 40 hectares, it is an alarmingly large area.

The other alarming factor is that the cost of development was to be $14 million. I went on record about two or three years ago as expressing my opposition to this project because interest charges alone will be more than $1 million and, taking into account the revenue received from existing trotting meetings, with the necessity to meet payments of principal and interest, the Trotting Control Board would be unable to cope.

If one examines the annual report of the Trotting Control Board and the distribution of funds to the racing industry, an alarming fact emerges. I will not go through the amounts distributed to the racing industry generally but, taking the amounts coming to the Trotting Control Board, in 1976 the Trotting Control Board received 22·59 per cent. It dropped in 1977 to 22·45 per cent. There was a further reduction in 1978 to 21·82 per cent, and in 1979 the drop continued to 21·3 per cent. These grandiose plans are being developed when the revenue received by the Trotting Control Board is falling.

The Hon. R. J. Long—The industry may need something to lift it.

The Hon. K. I. WRIGHT—I will admit that at the showgrounds and at Moonee Valley a rental factor of $330 000 a year is involved. It was previously $60 000 and that matter must be exercising the minds of members of the board. It has already been said that attendances are not increasing.

The Hon. F. J. Granter—That was at the showgrounds; the others are holding quite well.

The Hon. K. I. WRIGHT—That may be so, but during a town planning appeal in August 1978, it was stated that it was expected and anticipated that 7000 vehicles a meeting would attend

Moonee Valley whereas only 3700 vehicles are attending, so attendance must be only half of what was anticipated.

The Hon. I. B. Trayling—In fact, there has been a further decline in attendances this year.

The Hon. K. I. WRIGHT—I thank Mr Trayling. Keysborough faces a similar problem, as does the headquarters of football at Waverley—a serious lack of public transport. This means that the public has to overcome that disability by some means.

On the composition of the Trotting Control Board, I indicated earlier that the membership was different when the land was purchased. However, looking at the loyalties of the various board members, we see that most of the new members support the project at Keysborough, while two members, Mr Ahern and Mr Bowles, are strongly opposed—in fact, they brought out a minority report. The representatives for the Bendigo Province, Mr Radford and Mr Reid, must be thinking very seriously whether they should support the motion because Mr Ahern is from the Bendigo area and is very much against the Keysborough proposal.

Looking at another important point of view, Liberal Party members representing country areas should examine very closely where they stand on this matter because, no fewer than sixteen of the 21 country clubs, are strongly against the development of Keysborough. Moreover, 90 per cent of horses in training are located north and north-west of Melbourne.

The Hon. R. J. Long—Where did you obtain these figures from, Mr Wright?

The Hon. K. I. WRIGHT—They were obtained from a very reputable and responsible source. Three-quarters of the State's 5500 trotters come from country areas. As I fly my plane from Mildura to Melbourne each week, it is amazing to see how many trotting tracks are established under the flight path. Obviously they are used for training purposes and so on, but on occasions there are as many as five trotting tracks within a 10-mile stretch.

My concern and that of the National Party is that if the Keysborough project goes ahead—as the Trotting Control Board seems determined it should, and the Government is doing little to stop it—it will seriously hinder the development of country clubs.

In the North Western Province, which is represented by Mr Dunn and myself, there are at least eight or nine strong trotting clubs. Mildura has seventeen or eighteen meetings a year. There is a club at Nyah, and at Ouyen the club holds day meetings. There is a club at Boort, another at Charlton and one at St Arnaud. I have today spoken to Mr McKenzie, the Town Clerk of St Arnaud, who is very interested in trotting. He is most concerned about what will happen if the Keysborough project goes ahead. There are also strong clubs at Horsham and Wedderburn.

The Hon. N. B. Reid—The motion does not even mention Keysborough.

The Hon. K. I. WRIGHT—Mr Reid can speak about that later, but Mr Trayling, who moved the motion, had a great deal to say about Keysborough and I propose to discuss it. Only recently the Mildura Pacing Cup was run at a most successful meeting.

Because of the developments that have taken place in trotting in the metropolitan area, some country clubs which have training tracks are unable to obtain dates for meetings. There are 50 horses in training in the Robinvale area but the club at Robinvale has been unable to obtain suitable dates because of the operation of the tracks at both Moonee Valley and the showgrounds. I would be remiss in my duty if I did not commend Councillor Bill McGinty for his interest in this matter. There is a trotting centre at Donald that has been allocated dates and under the new legislation it has been awarded the right to hold a restricted meeting.

The Hon. H. R. Ward—When was that announcement made? I did not see Robinvale listed.

The Hon. K. I. WRIGHT—It was not listed. I can tell Mr Ward that the trotting club at Robinvale and the Shire of Swan Hill are very concerned and will not let the matter rest there.

I have discussed the Keysborough project in an informal manner with Mr Cochran and one of the main points the board is making to support the proposal is that the population in the eastern suburbs of Melbourne does not have an adequate opportunity of attending trotting meetings. If the Keysborough project were built, it is suggested that hundreds or thousands of people would be able to go to trotting. Members of the National Party believe that is a very slender argument to use as the basis for such a large expenditure.

There are only a few clubs in eastern Victoria, in the Gippsland area, and the only ones of any note are at Cranbourne, Traralgon and Warragul. The National Party agrees that problems have arisen with the showgrounds and Moonee Valley. The showgrounds are too small and that is one of the reasons why Moonee Valley was developed as a trotting course. The board and the Government showed lack of foresight. Instead of wasting $2 million on the track at Moonee Valley, they should have done something about providing a headquarters for trotting at the time when the track was improved. They are now stuck with Moonee Valley.

Two of the problems at Moonee Valley are that there can be no racing after 10.30 p.m. and there can be no training. Of course, the Moonee Valley Racing Club is happy to have the course used for trotting. There is one too many racing clubs in Melbourne—there are four and only three are needed. The Moonee Valley Racing Club was keen to have trotting at the racecourse because so long as trotting takes place at the course it will not be closed as a racing venue.

Before anything further is done about Keysborough, a full inquiry into what has happened and what is proposed for the future should take place. To sum up, the National Party believes Keysborough is a bad investment. It deplores the fact that no valuation was obtained at the time of the purchase of the land and it deplores the fact that the Minister was not consulted before the purchase. The National Party submits that, at the very least, there has been a serious error of judgment. Therefore, members of the National Party will support the motion that was so ably moved by Mr Trayling.

The Hon. N. F. STACEY (Chelsea Province)—The motion contains the words:

> the failure of the Government to exercise adequate Ministerial oversight and control over the Trotting Control Board.

Mr Trayling, having moved the motion, proceeded to talk *ad nauseam* of Keysborough. It has been clearly stated, but I shall say it again, that the Trotting Control Board was perfectly entitled to purchase the 219 acres at Keysborough for $1·4 million. It did not require Ministerial approval to spend its own funds. The Act provides that it can spend its funds to purchase land. The terms of the motion simply do not apply to Keysborough. It was Parliament, in passing the Act that established the Trotting Control Board, that decided the board could purchase land.

Mr Trayling also spoke about the cost effectiveness of the arrangements between the board and the Moonee Valley Racing Club. The honorable member's mathematics seem attractive, but it should be remembered that the Moonee Valley Racing Club wanted to attract trotting to its racecourse, and, naturally enough, it fixed an attractive rental to encourage trotting to move from the showgrounds to Moonee Valley. When the move to Moonee Valley was made, the Melbourne and Metropolitan Board of Works imposed stringent controls and the last trotting race must be held before 10.30 p.m. The Trotting Control Board also had to spend a good deal of money to overcome the objections of local residents.

One of the advantages of Keysborough is that it is far away from residential areas. If the board wished to run meetings all night it would receive no objections because there are no residents to object as they do at Moonee Valley. The board is aware that it inconveniences residents and it has received objections from a number of people. That will not be the case when and if the meetings are held at Keysborough.

Both courses have value. Mr Trayling asked, "Who will travel from Essendon or Moonee Ponds to Keysborough?" The reverse applies now. Who is travelling from Dandenong or Frankston to Moonee Valley regularly? Very few people. The board is missing out on a great catchment of people who are interested in trotting and who actively support the Cranbourne Trotting Club, which comes about fourth or fifth on the list of attendances. The day trotting at Cranbourne is well attended, but the Trotting Control Board is missing out on a good market because it does not have a track at Keysborough.

I want to put the flood-prone business to rest. Firstly, the property was sold by Mr Keys, whose family has lived on the property since the 1870s. His father and grandfather lived there. It was an important grazing property and Mr Keys was a reluctant seller.

The Hon. R. A. Mackenzie—Do you think they had to twist his arm?

The Hon. N. F. STACEY—He did not particularly want to sell. Why should he? He has a son and he had to buy another property up the bush that cost him a fortune. The Trotting Control Board was looking for a suitable site and it found only two sites in Melbourne that would provide the area and facilities it wanted. It was as a result of choosing the best site that the board made arrangements to purchase the property at Keysborough.

It should be remembered that flood level zonings are determined by the 1934 floods and since those floods a great deal of work has been done in order to enable the general area to be developed. The banks of the Patterson River have been made higher and water has been diverted into that river. Since 1950 the Patterson River has provided a floodway to carry the water that in 1934 went to this area.

The whole of the area is under the control of the Dandenong Valley Authority, which was established by an Act of Parliament in 1968. The authority is responsible for draining the land and controlling the water. The lowest point of the land purchased by the board in 1974 is 8·23 feet above R.L.—that means above mean low tide. The whole of Chelsea is below that level. The suburbs of Aspendale, Edithvale Chelsea and Carrum, all of which are built-up residential areas, are below the level of this land.

I drive past the site on most days of the week. Since the purchase of the land the Dandenong Valley Authority has built a concrete drain on the south side of Edithvale Road, which is the north side of the land, and that has improved the site. Even in the middle of winter during the past twenty years I have never seen any more than 20 of the 219 acres covered with water, and that water has not been more than 6 inches deep. As the Minister said, the Dandenong Valley Authority would be quite agreeable for sand dune material to be moved to cover any area that the board wishes to develop to provide training facilities, picnic areas and so on. That would cater for the 20 acres that, during the past twenty years or so, has had some water on it. To suggest that 40 hectares or 40 per cent of the land is flood prone is wrong.

I should have thought Mr Trayling, being a responsible and reasonable man, would have at least inspected the land. This is one of the few occasions during this sessional period when the honorable member has moved a motion, so he must be concerned about the matter, but he did not visit the property. He apparently is not aware that the Freeway F.6, the Dingley bypass, the Wells Road freeway and Springvale Road all pass the site. The railway station at Edithvale is only 2 miles away to the south and the railway station at Springvale is only 2 miles away to the north.

It is a perfect site for a trotting complex. It is removed from residential areas and there is easy access. It is a suitable area of land for the development of trotting in Victoria and, for the first time, it would allow half of the people of Melbourne to go to trotting meetings because at present they cannot get to Moonee Valley very easily.

The sitting was suspended at 1 *p.m. until* 2.3 *p.m.*

The Hon. R. J. EDDY (Thomastown Province)—I support the motion, so ably moved by Mr Trayling, dealing with the failure of the Government to exercise sufficient Ministerial oversight over the Trotting Control Board. Mr Trayling is to be congratulated for the research he has carried out and for raising the matter. A number of questions still remain to be answered by the Minister.

Mr Trayling referred to a question asked in another place on 15 April 1975. The second part of that question was whether "the board had any options to purchase land and, if so, where and at what price". The Minister's answer at that date was:

> The board is in the process of purchasing 219 acres at Keysborough close to the Keysborough golf course at an estimated cost of $1 423 000.

It has been stated today that this land was purchased by the Trotting Control Board for $1·4 million without any valuation being called for. The price paid was approximately three times the value of the land in 1975 or 1974, whichever date the Minister wishes to choose. Now that people realize what type of land it is, the board would be lucky to get that price today. Certain questions which have not yet been answered must be answered to the satisfaction of the Opposition. The Minister has already replied to Mr Trayling, but these questions must be answered to the satisfaction, not only of members of the Opposition, but also to the satisfaction of the public in general.

According to the Melbourne and Metropolitan Planning Scheme, Amendment No. 17, Part I., approximately 60 per cent of this land is zoned Special Use No. 2, which permits use as a greyhound racing establishment, a minor sportsground, a racecourse, a racing stable, a showground or by veterinary surgeons. The land was purchased for use as a trotting racetrack, so that is all right. However, 40 per cent of the land is zoned as stream and floodway, so one becomes alarmed at the price paid by the Trotting Control Board for this land. Land in the surrounding area is zoned General Farming A.

Title No. 1 consists of 46·62 hectares or 115·2 acres. It is zoned as Special Use No. 2, which includes use as a racecourse. Title No. 2 consists of 7·8 hectares or 19·27 acres. It is a triangular-shaped area adjoining Springvale Road, which is zoned as stream and floodway. Title No. 3 consists of 31·73 hectares or 78·4 acres, of which approximately 80 per cent or 25·38 hectares is within the stream and floodway zoning. That proves, as Mr Trayling so ably pointed out, that the land is unsuitable for the construction of a trotting track, the purpose for which it was purchased by the board. He also pointed out the extravagance and recklessness of the board in paying that sum for land apparently without taking the trouble to determine whether it was suitable for the proposed purpose.

I shall inform honorable members of the details of the purchase. On 5 August 1975, transfers of title in respect of the three parcels of land were lodged with the Titles Office and from that date the registered proprietor of the land was the Trotting Control Board, it having purchased the land at that huge price. Part of the land purchased was subject to a road widening order lodged by the Country Roads Board in February of 1974. The land in question was part of the land covered by certificate of title volume 9108, folio 782, 2·76 acres adjacent to Springvale Road. In November 1975, just a few months after the Trotting Control Board had purchased the land at $6500 an acre, approximately 2·76 acres of that prime land was sold by the board to the Country Roads Board at $3804 an acre, just over half the price paid for the land some four months earlier. One must consider this to be a serious matter. That question alone needs investigation and the Minister has not answered the question to the satisfaction of the Opposition. Further details of the real value of the land were provided following inquiries in the area.

However, it would have been prudent to allow for a contribution to be made to the Dandenong Valley Authority for

drainage works. It is suggested that 40 hectares at $4080 should be budgeted for, a total of, say, $175 000. Who is responsible? When one looks at the legislative situation, one finds that the Racing (Further Amendment) Act 1974 was passed on 26 November 1974. Section 8 (1) of that Act provides:

8. (1) After section 126 of the Principal Act there shall be inserted the following section:—

"127. (1) The Minister on the recommendation of the Race-courses Licences Board may purchase any land which he considers necessary or desirable for the purpose of establishing or extending a race-course.

The Minister is personally responsible in the matter of land, yet he made no inquiries, he was not concerned about the price paid and, apparently, he was not informed until the matter was raised in another place. The Minister is also personally responsible in a large way for the payment of finances. Specific information on the transactions of the Trotting Control Board is not available.

The Hon. I. B. Trayling—Mr President, I direct attention to the state of the House.

A quorum was formed.

The Hon. R. J. EDDY—Until 5 December 1978 the accounts of the Trotting Control Board were privately audited and so escaped the scrutiny of the Auditor-General. That was not good enough. It will be realized by honorable members that while the Trotting Control Board was able to have its accounts privately audited, the Minister was not in control of his department. Although the Minister, as Minister for Youth, Sport and Recreation, is well versed in respect of sport, except racing, he appears to have little or no knowledge about the racing industry.

In December 1978 the Trotting Control Board was required to present annual accounts for audit by the Auditor-General. The board is now required to submit to the Minister audited accounts, balance sheets and reports, and it is not before time that this is taking place.

I know almost all the members of the Trotting Control Board and I also know that they have done and are continuing to do a wonderful job in respect of Moonee Valley and other courses. However, the responsible people have been extremely lax in relation to the price paid for the land at Keysborough. The Minister had no supervision of the matter and no knowledge of what took place.

The Hon. N. F. Stacey—It was not required.

The Hon. R. J. EDDY—It was not required?

The Hon. H. R. Ward—Nobody else took a valuation.

The Hon. R. J. EDDY—I am concerned about the amount of money that was wasted by the Trotting Control Board.

The Hon. N. F. Stacey—Wasted?

The Hon. R. J. EDDY—It was $1·43 million, three times the real value of the land at that time. Until December 1978 the only person who had access to the financial reports of the Trotting Control Board was the Minister. The financial affairs of the board were privately audited and presented to the Minister. Having seen the private audit and having realized the price paid for the land three years earlier, the Minister would not have been concerned about it if the matter had not been raised in another place.

The Hon. N. F. Stacey—In 1974.

The Hon. R. J. EDDY—In 1975 the purchase took place. I am not concerned about the matter of a few months but about the price paid and the fact that no valuation was taken. None of these reports were made public. Section 16 of Act No. 9201, the Racing Amendment Act 1978, operative from 5 December 1978 provides:

For section 47 of the Principal Act there shall be substituted the following section:

"47. (1) The Board shall cause to be kept proper accounts and records of the transactions and affairs of the Board.

(2) The Board shall cause the accounts to be audited annually by the Auditor-General.

(3) The Auditor-General shall have in respect of such accounts all the powers conferred on him by any law now or hereafter in force relating to the audit of the public accounts.

(4) The Board shall as soon as practicable after the end of each financial year, and not later than the following thirty-first day of

October, prepare and submit to the Minister audited accounts, balance sheets and such reports as properly record the affairs of the Board.

That Act was passed in 1978 and the Minister has made no reference to what transactions had been carried out by the board. The honorable gentleman did not refer on any occasion to the overpayment for land at Keysborough by the Trotting Control Board. The section continues:

(5) The Minister shall cause the accounts, balance-sheets and reports submitted to him pursuant to this section to be laid before both Houses of Parliament within three weeks after receiving the same if Parliament is then sitting or (if Parliament is not then sitting) within three weeks after the next meeting of Parliament.

Has that ever happened? Did it happen early this year? I know that Parliament did not meet for the first six months of the year, but did the Minister lay before the House of Parliament that report when the House resumed sitting in mid-winter, some time in June? The Minister made nothing available to Parliament. The section continues:

(6) The Board shall pay each year to the Treasurer of Victoria an amount to be determined by the Auditor-General to defray the costs and expenses of the audit under this section and the remuneration of the officers of the Auditor-General engaged in the audit.

The Labor Party has no objections to that. Until that point the Minister was the only person who knew what was going on. He is responsible to this Parliament and he should have made those reports available for the perusal of honorable members as he was instructed to do by the Act. That is yet another question that the Minister must answer to Parliament and to the public.

This leads to another interesting legislative change which might be called the mortgage mystery. On 10 May 1977 the Racing Amendment Act became operative. It required the insertion in section 39 (1) of the principal Act of the word "mortgaging". Section 2 of Act No. 8989, the Racing Amendment Act 1977, operative from 10 May 1977, provides:

In section 39 (1) of the Principal Act after the word "exchanging" there shall be inserted the word "mortgaging".

Section 39 (1) of the principal Act, No. 6353, the Racing Act 1958, reads:

For the purpose of this Act there shall be a board which shall be a body corporate in the name of the Trotting Control Board and shall have perpetual succession and a common seal and be capable in law of suing and being sued and, subject to and for the purposes of this Act, of purchasing taking holding selling leasing taking on lease exchanging or disposing of land or any real or personal property and of doing and suffering all such other acts and things as bodies corporate may by law do and suffer.

No action has been taken in respect of those amendments to Acts by the Minister. The point that Mr Trayling was putting to honorable members of the Government party was that the Minister was responsible. The honorable gentleman has not answered the questions to the satisfaction of the Labor Party. He has not, as the responsible Minister, stated the reason for the outlay by the Trotting Control Board of such an extravagant amount of money for the land at Keysborough in 1975.

This amendment gave the Trotting Control Board the power to mortgage land owned by the board. On 8 March 1977, two months before the above amendment became operative, it appears that the Trotting Control Board mortgaged each of the titles which made up the Keysborough land. The board did not have authority to mortgage the land until May 1977. In March 1977 the Trotting Control Board mortgaged the land without authority.

The Minister must be aware of what was going on, but he did not lay the reports on the table as is laid down in the legislation. This raises interesting questions. Did anyone have authority, under the Act as it was then, to mortgage the land? Has the Minister answered that question? The Opposition and the community would like to know the answer. In fact, the community is entitled to know. Furthermore, on whose authority was the land mortgaged? Why was the land mortgaged to the Commercial Banking Company of Sydney and for what purpose was the mortgage loan used?

The site has not yet been developed and will not be developed for some years—probably not in our time. For

how much was the mortgage loan? Was the legislation changed in May in an attempt to cover up the March irregularities? In the interests of all concerned, these questions must be answered? The only person who knows the answer is the Minister because, until December 1978, the Trotting Control Board was not accountable to Parliament but only to the Minister. I ask the Ministers who are present to refer these matters back to the Minister because honorable members would like to know the answers to the questions I have asked this afternoon. The Act was amended to provide that the Minister shall present the reports to Parliament three months after he received them. If Parliament was not sitting, they were to be tabled as soon as it resumed.

My concluding points are that the land was bought at a price almost treble what any independent valuation would have suggested it was worth, namely, $1·4 million.

The Hon. N. F. Stacey—That is not right.

The Hon. R. J. EDDY—Mr Stacey may not think that is right, but I am glad I never attended the school at which he taught because I would never have learned anything.

The Hon. N. F. Stacey—The price was $10 000 an acre.

The Hon. R. J. EDDY—I have said that the land was bought at treble the price and I reiterate that fact.

The Hon. N. F. Stacey—That is your opinion.

The Hon. R. J. EDDY—It is not an opinion, as is apparent from the valuations. Members of the Government party cannot deny that 40 per cent of the land is flood-prone. The land appears to have been mortgaged before the Trotting Control Board had the power to do so. No one can deny that either. Legally, the Minister was at all times the person responsible for the board's activities and was the only person fully aware of the board's financial position because he was receiving the reports of the auditors. This purchase was improper, incompetent and probably one aspect of it was illegal. It must be investigated. The mystery surrounding the purchase of the Keysborough land must be solved immediately, in the interests of all concerned.

In September 1979, three months ago, the Minister for Youth, Sport and Recreation said that a decision on the development of Keysborough would be made in three months, so he must make an announcement regarding a decision within the next few weeks. It will be interesting to hear his decision. Before any decision is made, the serious irregularities and the details of the transaction must be aired publicly.

I fully support the motion moved by Mr Trayling, which must be carried in the interests of all concerned, including the members of the Trotting Control Board.

The Hon. H. R. WARD (South Eastern Province)—It is only fair tht I should answer a couple of matters that have been raised by the Opposition. I refer the attention of the members of the Opposition to the *Second supplementary report on the Feasibility of the Trotting Control Board's proposals for the Establishment of a second Metropolitan Night Trotting Venue at Keysborough*, dated July 1979, and tabled in the Library.

I propose to put some facts on record that have been totally overlooked by the Opposition. The report, at page 5, deals with the sociological aspects involved when considering a relocation, and why Keysborough might not be a suitable site. It states:

(i) A serious shortcoming is lack of public transport services and at the same time petrol costs are increasing rapidly and may discourage patrons in particular from western and northern suburbs using the venue.

(ii) However Treasury has previously raised doubt about accepting an optimistic forecast of long-term expectations from increased night trotting. (See Appendix 4)

(iii) The Keysborough site remains distant from the larger proportion of trotting horses in training to the west and north of the city. (See report of May 1977 page 24)

(iv) Attendances at metropolitan trotting meetings are not increasing as illustrated in the following table.

A table was provided.

The Minister for Youth, Sport and Recreation was made aware of this report, but that fact has been overlooked by the Opposition. Once again, Opposition members have failed to do their homework and for the second time I have had to draw their attention to that fact.

At page 8, the report states:

> It follows that the Department is not in a position to recommend to the Racecourses Licences Board nor the Minister that futher strong growth in the Fund can be expected in the forseeable future.
>
> The recent earnings of the Trotting Control Board have not been sufficient to add to its reserves strength.

These matters have been pointed out in a public document. Page 9 of the report points out that:

> The cost of Stage 1, even at the level of the lowest-priced scheme submitted by the Trotting Control Board, appears to make prohibitive demands.

That is a criticism. The Opposition claims that the Minister fails to make snap decisions. The Minister does not make decisions lightly. I criticize the Opposition for not doing its homework. The Minister has taken action and has sought the advice of his committee and board. At page 11, the report states:

> because of many uncertain factors long-term forecasts are inevitably subject to a considerable degree of conjecture and must be regarded with caution. In particular the committee considered "that the cashflow projections of the Trotting Control Board may be based on unduly optimistic forecasts in view of the current downward trend in attendances and signs of a levelling off in returns from Totalizator Agency Board Surplus distribution."—

Mr Trayling commented on inflation. The report states that the board's figures were derived from an anticipated inflationary rate of 5 per cent per annum in the years 1980–82 but the prevailing inflationary rate at the time of the report was more than 8 per cent per annum. The points Mr Trayling raised are laid down in the report.

The conclusions contained in the report have not been read by the Opposition. At page 12, the report states:

> Assuming that all forecasts were in fact realized during the period it appears that the Trotting Control Board and Racecourses Licences Board would still face outstandings amounting to $4 497 700 at the end of 1987–88.

Those points are known to and understood by the Minister who is prepared to take action, having regard to other matters that are before him.

On 21 November 1979, when this matter was raised in the Legislative Assembly—it is reported at page 4789 of *Hansard*—the honorable member for Geelong North had no queries about the proposals. The honorable member for Geelong North must have done his homework on 31 October 1974 because he quoted what was known to him and the Minister. No criticism was made then, but the situation has now been raised in this Chamber. I am concerned that these facts should be known. Action has been taken.

The Minister is aware of his responsibility and is prepared to think about the situation but he comes under fire and is criticized by people who have not read the report. The Opposition is simply wasting the time of the House at a time when a critical legislative programme should be considered. Three hours have been wasted on this debate.

The House divided on the motion (the Hon. F. S. Grimwade in the chair).

Ayes	16
Noes	24
Majority against the motion	8

AYES

Mr Baxter	Mr Sgro
Mr Butler	Mr Thomas
Mr Dunn	Mr Walker
Mr Eddy	Mr Walton
Mr Evans	Mr Wright
Mr Kennedy	
Mr Kent	*Tellers:*
Mr Landeryou	Mr Trayling
Mr Mackenzie	Mr White

NOES

Mrs Baylor	Mr Jenkins
Mr Block	Mr Knowles
Mr Bubb	Mr Lawson
Mr Campbell	Mr Long
Mr Chamberlain	Mr Radford
Mr Crozier	Mr Reid
Dr Foley	Mr Saltmarsh
Mr Guest	Mr Storey
Mr Hamilton	Mr Taylor
Mr Hauser	
Mr Hayward	*Tellers:*
Dr Howard	Mr Ward
Mr Hunt	Mr Stacey

PAIR

Mrs Coxsedge	Mr Granter

LOCAL GOVERNMENT (LAND LIABLE TO FLOODING) BILL

The Hon. D. G. CROZIER (Minister for Local Government), by leave, moved for leave to bring in a Bill to amend the Local Government Act 1958, the Dandenong Valley Authority Act 1963, the Drainage of Land Act 1975, and for other purposes.

The motion was agreed to.

The Bill was brought in and read a first time.

VICTORIAN GOVERNMENT TRAVEL AUTHORITY (RECONSTITUTION) BILL

The debate (adjourned from November 29) on the motion of the Hon. D. G. Crozier (Minister for Local Government) for the second reading of this Bill was resumed.

The Hon. D. R. WHITE (Doutta Galla Province)—There is no doubt that this is an important measure that the Government has taken to bring the regional tourist authorities under the umbrella of the Victorian Government Travel Authority. Members of the Opposition have examined this issue and, initially, expressed some concern because we considered that not only was the autonomy of the regional tourist authorities to some degree at risk, but also there was a danger that, after having been absorbed into the Victorian Government Travel Authority, a situation may arise where the service that they had previously received directly from the Department of State Development Decentralization and Tourism may not be of the same quality and may not be available to the same extent.

The Opposition is concerned because, in the past, the regional tourist authorities have enjoyed a close ongoing relationship with staff within the department. On occasions when they exhibited promotional material, particularly in metropolitan shopping centres, the authorities received direct assistance from the department in ordering photographic material and assistance with labour to erect the display boards which have been of immense assistance to those authorities in promoting their regional areas.

The Opposition understands that the Government's concern about the lack of co-ordination between the regional tourist authorities is one of the major reasons for bringing them together under the umbrella of the Victorian Government Travel Authority, and that rationale is understandable. However, the Opposition is concerned that it will be undertaken at the expense of the existing service made available by the department to the regional tourist authorities. We have since been assured that the regional tourist authorities have expressed some degree of satisfaction with the steps proposed by the Government. In the light of the regional tourist authorities' renewed optimism about the operations of the Victorian Government Travel Authority and the way in which they hope they will be conducted in the future, a reasoned amendment that I proposed to move will lapse.

I would like some assurance from the Minister for Local Government that the regional tourist authorities will not be disadvantaged in the services they are to receive from the Victorian Government Travel Authority compared with the service they received from the department before the measure was introduced. Secondly, that with the new operations of the Victorian Government Travel Authority, the regional tourist authorities will not be submerged in that they do not occupy a majority position on the Victorian Government Travel Authority. The Opposition would not like a situation to arise where the Victorian Government Travel Authority did not give preference to the regional tourist authorities and operated on the principle that attracting tourists to Melbourne would suffice, and that regional tourist authorities would have to hope that, if the Victorian Government Travel Authority and the Melbourne Tourist Authority were successful in attracting tourists to Melbourne, that there would be a spin-off to the country in that hopefully some of those people would also visit regional tourist attractions.

The Opposition believes that is not an adequate tourist policy, as there has to be advertising to attract tourists to the regional tourist areas as well as attracting interstate and overseas visitors to Melbourne directly. Therefore, on the proviso that the Minister for Local Government gives an assurance to that effect, the Opposition does not oppose the measure.

The Hon. K. I. WRIGHT (North Western Province)—The National Party offers no opposition to the Bill. The Bill has three main objectives, the restructuring of the Victorian Government Travel Authority, the establishment of entitlements of former officers of the Victorian Public Service, and the strengthening of the role of the Victorian Government Travel Authority for travel to and within Victoria.

Since the establishment of the Victorian Government Travel Authority, three members have been appointed, a chairman, Mr Macfarlane, Mr McPhee, the former manager of the Royal Automobile Club of Victoria, and Mr Williams. Those gentlemen have done a commendable job. Can the Minister for Local Government indicate whether it is proposed that those three gentlemen will be reappointed when the authority has a board of eight members? Those gentlemen should be reappointed because of the commendable job they have done.

When the Bill was first mooted there was a lot of concern amongst some of the regional tourist authorities because they claimed that the Victorian Government Travel Authority has jurisdiction over those authorities in some matters. That only occurred in Ballarat and Mildura where there are offices of VicTour, as well as the specific regional tourist authority offices. A meeting was held in Mildura. The Premier, as Minister for State Development Decentralization and Tourism, overcame the criticism of the travel authority.

The regional tourist authorities in their day-to-day operations and various entrepreneural matters will have extensive freedom. I pay a tribute to the work that the regional tourist authorities are doing, especially the North-West Regional Tourist Authority, of which Mr David Brunton is the executive director. I commend the Wimmera Regional Tourist Authority, of which Mr Alan Berry is the director.

I mention again the anomaly in the funding of regional tourist authorities because a grant of $15 000 to $20 000 is available on a $1 for $1 basis for the various businesses which have made contributions towards the funding of the authority.

No maximum amount is prescribed for the Melbourne Tourism Authority and the funding for that authority can rise by over $400 000. That is an anomaly. I am not opposed to the Melbourne Tourism Authority receiving $400 000 plus, but to be fair, the country regional tourist authorities should be treated equally. The National Party offers no opposition to the Bill.

The motion was agreed to.

The Bill was read a second time and committed.

Clause 1 was agreed to.

Clause 2 (Constitution of the Authority)

The Hon. D. G. CROZIER (Minister for Local Government)—I thank Mr White on behalf of the Labor Party and Mr Wright on behalf of the National Party for their support. I can assure Mr Wright that his concern for the autonomy of the operations of the regional tourist authorities is shared by the Government. It is certainly not intended that the operations of the regional tourist authorities, which have been successful, should be brought under the control of the Victorian Government Travel Authority. The close links which have been developed and sustained by the various chairmen and executive officers will be maintained.

Although the responsibility of the Victorian Government Travel Authority under clause 5 has been clearly extended to promote and publicize the tourist facilities and attractions of Victoria, which means a close interaction with all

the bodies concerned, it will in no way impair the close liaison it has with the departments and the authorities.

Mr White expressed concern about the capacity of the Victorian Government Travel Authority to assist in specific tourist promotions as requested by the authorities. Those authorities will not be submerged by the extension of the Victorian Government Travel Authority's responsibilities.

Mr Wright raised an interesting point about the current members of the board of the authority. Those members have done an excellent job in establishing the new authority. Subject to their concurrence, the claims for reappointment on the new expanded board must be very strong.

Mr Wright mentioned a local situation which has developed at Mildura. The friction that has existed there is a local situation and it has been largely resolved. There is no reason why that should inhibit the operations and the close harmony of both bodies which are dedicated to pursuing the same objectives. All members know that the authorities in Mr Wright's province have a lot going for them in publicizing the real natural attractions of that part of Victoria.

Mr Wright mentioned the apparent anomaly in funding and that matter has been raised before. I cannot entirely agree that it is an anomaly because there is a ceiling on the amount of Government support for Melbourne tourism. It can always be arguable in terms of priorities as to how significant the quantum of that support should be. However, in view of the special nature of the responsibilities of the Melbourne Tourism Authority, the criteria that is currently applied is reasonably acceptable to most people in the industry.

The clause was agreed to, as was clause 3.

Clause 4 (Amendment of No. 9083 s. 12 (1))

The Hon. D. G. CROZIER (Minister for Local Government)—I invite honorable members to vote against this clause.

The clause was negatived.

Clause 5 (Amendment of No. 9083 s. 13 (1) (c))

The Hon R. A. MACKENZIE (Geelong Province)—The section to be inserted in the principal Act is designed to promote and publicize the tourist facilities and attractions of Victoria. To achieve that aim, the Victorian Government Travel Authority must have the full co-operation of the various regional tourist authorities. The Government must ensure that the authorities are viable and are carrying out the promotion of the tourist attractions of Victoria.

I strongly agree with Mr Wright and the Minister for Local Government that the regions must retain their autonomy. However, when those authorities have their funding withdrawn or threatened to be withdrawn, the Victorian Government Travel Authority should be able to exercise some control to ensure that the regional authorities can be brought back into line. That is what is happening in Geelong where there is an upheaval.

Although I agree that the Geelong Regional Tourist Authority needs autonomy to sort out its own problems, it has not been able to do that for some time. For clause 5 to be effective, there must be effective regions and that matter should be examined by the Victorian Government Travel Authority.

The Hon. D. G. CROZIER (Minister for Local Government)—I well understand Mr Mackenzie's concern about an alleged shortcoming in the Geelong Regional Tourist Authority. The regional authorities will retain a degree of autonomy, subject to the obvious restraints based on Government funding. The performance of the Victorian Government Travel Authority will be largely in the hands of the people in local areas who are involved in the affairs of that authority.

Secondly, as I endeavoured to assure Mr White in answer to the first matter he raised, which was of concern to him and to the Labor Party, the present administrative links will be retained with the department. The dialogue should be with the department rather than with the Victorian Government Travel Authority.

The authority, of course, will be promoting the Otway–Geelong region with the same vigour and enthusiasm that it will be promoting regions throughout the State, but it will not be the responsibility of the authority to intervene directly in the affairs of the Geelong Regional Tourist Authority, or indeed, any other travel authority. However, naturally, like any other body concerned with the promotion of travel in the State, it will be concerned if any region is not fulfilling its task well.

It must be realized, therefore, that the role of the department is fairly delicate. On the one hand it is concerned to reserve the benefits of the region for local people so that they have wide discretionary power. On the other hand, to guide an authority and assist it if necessary, if and when disputation arises, which in the nature of things is bound to happen from time to time.

The clause was agreed to, as was the remaining clause.

New clause AA.

The Hon. D. G. CROZIER (Minister for Local Government)—I move:

Insert the following new clause to follow clause 3:

'AA. In section 12 (1) of the Principal Act—

(*a*) for the word "eligible" (where second occurring) there shall be substituted the word "entitled"; and

(*b*) after the words "at the termination of his engagement or employment" there shall be inserted the words "subject to the termination not being on account of misconduct, incompetence or ill-health".'

The new clause was agreed to.

The Bill was reported to the House with amendments, and passed through its remaining stages.

STAMPS (AMENDMENT) BILL

The Hon. HADDON STOREY (Attorney-General)—I move:

That this Bill be now read a second time.

The Government's Budget for 1979–80 included two provisions relating to increases in stamp duty. The first was to increase the stamp duty on cheques from its present level of 10 cents to 12 cents. This Bill includes a provision to give effect to this change which will result in a revenue gain of $1·7 million in 1979–80 and $3·4 million in a full year.

The second proposal announced in the Budget was to increase the stamp duty on the certificate of registration and transfer of registration of motor vehicles from 2·5 per cent to 4·5 per cent of value. That duty had remained unchanged since 1 December 1975, and the Budget proposal was expected to raise additional revenue of $21 million in 1979–80 and $40 million in a full year. The Budget proposal did not extend to motor boats and the stamp duty there will remain unchanged at 2·5 per cent.

As was pointed out in the Budget speech, the decision to increase the stamp duty on new registration or transfers of registration of motor vehicles was taken as part of the over-all review of motor vehicle registration arrangements conducted by the Government. Annual registration fees are to be subject to reduction and restructuring, and pensioners will receive a 50 per cent concession, from the revenue derived under the Business Franchise (Petroleum Products) Act. These changes will apply from 1 January 1980. The stamp duty which is to be increased by this proposal offsets these concessions to some extent but is not an annual charge and is only incurred with newly-acquired vehicles. In making this proposal, the Government was conscious of the fact that Commonwealth Government sales tax on new cars was substantially reduced from 27·5 per cent to 15 per cent last year.

When the Budget was in course of preparation, the Government had had before it a scenario of an industry which had had a year of successful operations during 1978–79. During that year, new motor vehicle registrations in Victoria increased by 3·3 per cent over the previous year which was a marked reversal over the decrease of the previous two years. The figures for July for Victoria which were available showed new registrations 11·9 per cent up on July 1978 and for motor cars and station wagons the increase was more than 21 per cent over the previous year.

Since the framework of the State Budget was settled, further information on the Government's estimated revenue collections and on the state of the motor vehicle industry has, of course, become available.

Turning first to the motor vehicle industry. New registrations during the month of August were 1·2 per cent down on the same month in the previous year, for September 13·4 per cent down, and for October 6·5 per cent down. Representations from various sections of the industry indicated that their expectations were that the industry would not have the same performance as last year and there was some concern about its outlook, especially in the light of the September and October activity.

In regard to the Government's estimated revenue collections, there has been some unexpected improvement in Budget revenue over what was estimated when the Budget was being prepared.

Stamp duty on share transfers is expected to be higher both from the buoyancy of the share market to date and from the quite unexpected surge in takeover activity which has resulted in large numbers of shares being traded. Stamp duty on sale or conveyance of real property is running ahead of Budget as some recovery is becoming apparent in the property market. Last year, a new monthly system for payment of duty on insurance business was introduced as from 1 January 1979. A full year's experience of the monthly system was therefore not available to assist in the preparation of the Budget estimate for this year and indications are that there will now be an improvement on estimated revenue in this area.

Taking these factors into consideration, plus other smaller changes in the revenue side, the current outlook for the Budget is that over-all revenue receipts could be some $11 million ahead of Budget estimate. In the light of the situation that has unfolded, the Government decided that the stamp duty proposals in the Budget should be restructured to reduce the impact on taxpayers and the motor industry.

This Bill therefore proposes the following increases in stamp duty. For new cars, which will be taken as cars never before registered in Victoria or elsewhere, the new rate of duty will be 3 per cent—an increase of 0·5 per cent on the existing rate. This represents a reduction of 1·5 per cent when compared with the increase proposed in the Budget. For used cars, the new rate of duty will be 4 per cent—an increase of 1·5 per cent over the existing rate and a reduction of 0·5 per cent on the rate proposed in the Budget.

The revenue anticipated to be collected by this Bill is some $11 million less than that which was anticipated in the Budget. However, this is off-set by the improvement in other items of revenue which has already been referred to and the Budget, therefore, will still be in balance overall. In other words, the Government has continued to monitor both its budgetary situation since the Budget was formulated and the situation in the motor vehicle industry and has decided to utilize the benefits of an unexpected improvement in revenue to reduce the impact of a proposed Budget tax increase on Victorians.

The Bill also includes amendments to the Stamps Act to cover a loop-hole situation that exists under that Act at present. The Act now provides that where a person owns a vehicle registered in his name, whether that registration was effected in Victoria or elsewhere, and that person re-registers the vehicle in his name, no further duty is payable. This situation applies to companies and other owners of vehicles as well as individuals.

In Canberra there is no stamp duty on the registration of a motor vehicle, and if a person or company from Victoria registered a vehicle in Canberra and then subsequently re-registered the vehicle in his or its name in Victoria, stamp duty would be avoided entirely. Similarly, where a car is registered in another State with a lower rate of stamp duty, that vehicle could be transferred to a Victorian registration without any stamp duty being payable.

The proposed amendments provide that, where a vehicle is registered outside Victoria, and is later transferred

in the owner's name to Victorian registration, stamp duty at the used-car rate of 4 per cent will be payable. However, to avoid double taxation, where stamp duty has been paid in another State, the owner will have his stamp duty in Victoria reduced on a basis *pro rata* with the value of the car when it is registered in Victoria. It is possible that the reduction formula included in the amendment could, in some circumstances, depending on the rate of duty applying in another State and the value of the motor vehicle, result in a nil or negative duty being payable in Victoria. The Government has decided that, in these circumstances, a minimum flat duty of $10 is payable which, in some measure, reduces the complexities of the legislation.

This brings me to a significant reason why the duty on used cars in the Government's proposal is set at 4 per cent. If the rate of duty for used cars were the same as the rate for new cars, there could still be an incentive for a person to register a car in Canberra with no duty payable, transfer the vehicle to a Victorian registration and pay duty on the then market value of the car which would, of course, be lower than its new value and a saving in duty would thereby be achieved. However, the situation that will now apply is that the reduction in value is off-set by the higher rate of duty on a used car.

The Motor Car Act already contains provisions relating to the use within Victoria temporarily of cars registered outside Victoria and the operation of this section and its enforcement will be subject to careful scrutiny over the next few months to assess whether any changes are necessary in that area.

Provision is also made in the Bill to give an exemption from this stamp duty for a car being transferred by a widower into his name from that of his deceased wife. This also was promised in the Budget speech. The reverse situation is already covered by specific exemption.

The Hon. Haddon Storey

The opportunity has also been taken to simplify the recovery provisions of the Stamps Act. The present procedures for the recovery of unpaid duty are cumbersome and costly as they may be taken only in the Supreme Court. The amendments in clauses 4 and 5 have been drafted to expedite and facilitate recovery by enabling proceedings to be taken in a Magistrates Court. Provision for recovery in a Magistrates Court is already contained in the Pay-roll Tax Act and the Land Tax Act. I commend the Bill to the House.

On the motion of the Hon. C. J. KENNEDY (Waverley Province), the debate was adjourned.

It was ordered that the debate be adjourned until later this day.

MOTOR CAR (FEES) BILL

The Hon. HADDON STOREY (Attorney-General)—I move:

That this Bill be now read a second time.

It provides for a number of amendments to the Motor Car Act 1958, principally in relation to registration fees and certain other fees specified in the Act. It also provides for a consequential amendment to the Stamps Act 1958.

As honorable members are aware, the Business Franchise (Petroleum Products) Act 1979, which was enacted in the autumn sessional period of Parliament this year, provides for the licensing of the wholesalers and retailers of petrol and diesel fuel and for the payment of a licence fee based on the volume of such fuel sold. This licensing scheme and the collection of revenue therefrom was considered to be necessary in order to maintain the level of funds available for the maintenance of roads following the abolition of road maintenance charges as from 1 July this year and the consequent loss of revenue from the operators of commercial goods vehicles.

The effect of the scheme has been, of course, to increase the price of petrol and diesel fuel and, consequently, to increase the operational costs borne by the owners of all motor cars.

In order to compensate those motor car owners who were not previously required to pay road maintenance charges for these additional costs, the Bill provides for a general reduction in registration fees across the board of approximately 15 per cent. The revised fees in this respect are provided for in clause 7 of the Bill.

Mathematically-inclined members will note that there are minor variations in the actual percentage reduction applied. These variations arise from the application of the 15 per cent reduction to the existing registration fees and the subsequent rounding off of the fees to the nearest five cents.

However, the fee applicable to private motor cars used solely for social, domestic or pleasure purposes, which is expressed as a rate per power-weight unit, has been set at 93 cents. This represents a reduction of 15·5 per cent and will apply to about 1·45 million such motor vehicles, which form the bulk of the 2 million or so motor vehicles registered in Victoria.

The reduction to 93 cents per power-weight unit, in the case of a Holden Kingswood sedan with a six-cylinder 202-cubic-inch motor, will mean a saving of $9.86 on the annual registration fee. The average saving for all private motor cars used solely for social, domestic or pleasure purposes will be $8.16. The annual loss of revenue arising from the reduction in registration fees in this category of vehicle is estimated to be about $11.8 million.

Whilst the Bill provides for an approximate 15 per cent across-the-board reduction in registration fees, this reduction has not been applied in respect of two categories of vehicle, namely commercial goods vehicles, and taxicabs and hire cars. For some years, there has been contention whether heavy vehicles have in fact contributed equitably towards the costs of road construction and maintenance. It is pertinent to note that the rate of road maintenance charges applied to vehicles having a carrying capacity in excess of 4·1 tonnes had not changed since 1956.

With the abolition of road maintenance charges from 1 July of this year, a total of some $10 million has been lost to the State from this source. Provision was made in the Business Franchise (Petroleum Products) Act 1979 to reimburse the Country Roads Board for this loss from the revenue derived from the imposition of the fuel levy. However, because of the extent and cost of road construction and maintenance required to accommodate heavy vehicles, it is considered that such vehicles should make a greater contribution to that cost than is currently made under the fuel levy scheme. In this regard, it is estimated that heavy vehicles are paying, by way of the fuel levy, between one-third and one-half of the amounts previously paid by way of road maintenance charges. In order to more equitably spread the contributions made by motorists to the costs of road construction and maintenance, the Bill provides for the present registration fee applicable to commercial goods vehicles having a carrying capacity in excess of 4·1 tonnes to be increased by 20 per cent.

For taxicabs and hire cars, the Bill provides for a reduction of 50 per cent in registration fees. There are some 3500 taxicabs and hire cars in the metropolitan, urban and country areas of Victoria; these form part of the public transport system of the State. The operators of these vehicles have been faced with steadily rising costs and, consistent with reductions in registration fees for buses granted in recent years, the Government proposes this reduction in fees in order to assist this sector of the public transport system.

The Bill also provides for further concessions in respect of registration fees payable by primary producers. It is the policy of the Government to provide for a single category of vehicles owned by primary producers to which a reduced rate of registration would apply. This has been achieved in the Bill by the abolition of the separate rate of registration applicable to trucks owned by primary producers and which are specially constructed for the carriage

of a particular type of primary produce and by the creation of a single category of goods-carrying motor cars.

The basis of assessment of registration fees in respect of goods-carrying motor cars owned by primary producers and used in connection with the business of primary production has been changed from a rate per power-weight unit to a flat fee. The fee in respect of such vehicles weighing less than 3 tonnes unladen will be $50 and the fee for such vehicles weighing 3 tonnes or more unladen will be $100. On average, these rates represent a reduction of 26 per cent and 23 per cent respectively. The restriction on concessional registration to one goods-carrying motor car owned by a primary producer which is currently contained in the Motor Car Act has also been removed. The Bill further provides for free registration to be extended to motor cycles and commercial trailers owned by primary producers and used in connection with the business of primary production. The net result of these changes is to provide for the free registration of all agricultural machinery, tractors, farm motor cycles and trailers owned by primary producers and used in connection with the business of primary production and to provide for separate concessional registration fees in respect of goods-carrying vehicles.

Honorable members will recall the undertaking given by the Premier in his 1979 policy speech to reduce the registration fees applicable to pensioners. This Bill gives effect to that undertaking by providing for a concession to be granted to pensioners equal to 50 per cent of the registration fee. The concession has been applied to motor cars used solely for social, domestic and pleasure purposes which are owned by persons in receipt of an age, invalid or widow's pension and who have been issued with a concession card by the Commonwealth Department of Social Security. This card is issued by the department to those pensioners who are entitled to concessions with respect to medical treatment, municipal rates, water and sewerage rates and fares on public transport. Thus, this category of age, invalid and widow pensioner will be entitled also to concessional registration equal to half the amount of the normal registration fee.

The Bill also provides for a number of unrelated amendments to the Motor Car Act. Referring to the relevant clauses of the Bill, these are as follows:

Clause 3 (*c*) amends section 7 (2) of the Motor Car Act, which provides that no registration fee shall be payable in respect of a motor car owned by a discharged serviceman who is assessed as being incapacitated to an extent of not less than 75 per cent. The exemption from the payment of the registration fee is limited to one motor car per person.

The Bill provides for this exemption to be extended to include one caravan or trailer owned by a discharged serviceman who is so incapacitated.

Clause 3 (*d*) restores the application of section 7 (2) of the Act to discharged servicemen who, prior to 1 November 1978, were assessed as being incapacitated to an extent of not less than 75 per cent and whose incapacity was caused solely or in part by pulmonary tuberculosis. This amendment is designed to restore the entitlement to free registration which was removed as a consequence of an amendment to the Repatriation Act of the Commonwealth which came into operation on 1 November 1978.

That amendment requires all returned servicemen in receipt of a pension as a result of the contraction of pulmonary tuberculosis whilst on war service to be reassessed for incapacity. The result of such reassessments has been to reduce the level of incapacity below 75 per cent in respect of the majority of such pensioners. These pensioners thus became ineligible to receive free registration on their motor cars which they had previously obtained.

The effect of the proposed amendment is to maintain the entitlement to free registration of all discharged servicemen who had been entitled to the benefit prior to the change in the Repatriation Act. The amendment is deemed to have operated from the date the

Act was amended so that all registration fees since paid by such persons will be refunded.

Clause 4 amends section 8. The Stamps Act provides an exemption from the requirement to pay stamp duty in respect of the transfer of the registration of a motor car previously owned by a deceased person from that person's name to the name of his surviving widow. Action has been taken in separate legislation to extend this exemption to widowers.

The Government considers that the $12.50 fee payable on the transfer of registration of a motor car should likewise not be levied in such circumstances. Accordingly, the Bill exempts widows and widowers from the requirement to pay the fee on the transfer of the registration of a motor car previously owned by a deceased person from that person's name to the name of his or her surviving spouse.

Clause 6 amends section 19. Honorable members will be aware of the many enthusiasts who restore and drive veteran, vintage, and classic and historic motor cars in Victoria. Such motor cars are permitted to drive on Victorian roads without registration provided that their owners obtain a permit and drive the vehicles only in connection with official rallies organized by or under the auspices of an association approved by the Chief Commissioner of Police.

The Act also provides for the owners of veteran and vintage motor cars who reside outside Victoria to obtain a permit entitling such motor cars to be driven in or through Victoria for a period not exceeding 28 days in order to participate in such rallies. The Bill provides for this 28-day permit system also to apply to classic and historic cars owned by persons resident outside Victoria. Classic and historic cars are those cars manufactured after 31 December 1930 and before 1 January 1943.

The Bill also exempts the holders of classic and historic car permits from the requirement to return the identifying number plates which are issued with the permit on expiry of the permit where a further permit is issued. This exemption already applies to the holders of veteran and vintage car permits.

Clause 7 amends section 93. From time to time, the Motor Registration Branch has occasion to issue duplicate documents as a result of the loss or destruction of the originals. Provision is contained in the Act for the making of regulations in respect of the issue of such documents and the fees payable in relation to them. These documents include registration labels and certificates, motor car drivers' licences and learner drivers' permits. However, reference to some such documents was omitted from that provision. In order to provide for the issue of duplicates of all documents issued under the Motor Car Act, the Bill provides a regulation-making power in respect of the issue of duplicate motor cycle licences and duplicate motor cycle learners' permits and the fees payable in relation thereto.

The various provisions of this Bill provide a range of financial and other benefits to the motorist which will assist in some measure to alleviate the high costs inherent in the operation of the modern motor car and particularly those which have been imposed by the introduction of the fuel levy. I commend the Bill to the House.

On the motion of the Hon. R. J. Eddy, for the Hon. JOAN COXSEDGE (Melbourne West Province), the debate was adjourned.

It was ordered that the debate be adjourned until later this day.

LOCAL GOVERNMENT (LAND LIABLE TO FLOODING) BILL

The Hon. D. G. CROZIER (Minister for Local Government)—I move:

That this Bill be now read a second time.

The present law, particularly the Local Government Act and the Uniform Building Regulations made under that Act, is inadequate and unduly restrictive in respect of building on land liable to flooding. The shortcomings are:

Under the regulations the lowest floor or approved flood proofing measures must be 300 millimetres above

flood level and the reference in clause 1701 to a flood which could be reasonably anticipated can be interpreted as meaning even the maximum probable flood;

As a consequence drainage authorities have been advising the flood of record as a minimum because they could not designate a lower level without the risk of attracting liability;

The present law does not recognize the Government's intention that a flood level for an area may be designated which acknowledges that a risk of some flooding may exist in the use and management of land. The Government's policy promotes the concept of drainage authorities adopting the 1 per cent probability flood as the basis for defining a reasonable level of risk to which a community may be exposed;

Councils and drainage authorities are not protected against liability for claims for damage due to flooding;

Owners or builders may not be aware of a flooding risk and no formal machinery exists for future purchasers to find out if there is a potential flooding risk.

There are a number of centres in Victoria, such as Echuca and Horsham, which are concerned that building and development are being inhibited by the restrictions of the law as it now stands. This Bill is designed to overcome these restrictions by rationalizing the provisions of three Acts so they complement one another in the context of building on land liable to flooding. The three Acts concerned are:

The Drainage of Land Act 1975 and the Dandenong Valley Authority Act 1963 *re* drainage; and

The Local Government Act 1958 *re* building matters.

When this Bill becomes law the Uniform Building Regulations can be amended, in particular clauses 1701 and 1702, thus enabling the policies of the Government to be implemented.

Members will be aware that when introducing the Water Resources Council publication *Flood Plain Management in Victoria,* the Premier referred to the need to provide guidelines rather than inflexible rules, with attention being paid to the need for flexibility to suit the differing needs and circumstances of different urban and rural communities.

The Government also stressed its intention that local municipalities should play an effective role in their own area in the closest co-operation with the drainage authorities.

This Bill, which has been prepared in consultation with water resource interests, gives effect to that intention. It has four basic objectives which are:

Firstly, to empower the drainage authorities to designate flood levels.

Secondly, to enable regulations to be made under the Uniform Building Regulations with respect to construction of buildings on land liable to flooding.

Thirdly, to enable local councils, through their administration of building controls under the Uniform Building Regulations, to play an effective role in the management of their own areas by implementing policies which achieve the flexibility sought by Government.

Fourthly, to ensure that building control, in these circumstances, is consistent with the protection of the interests of potential purchasers and the need to minimize claims for compensation from the public purse.

I now turn to the first objective. The opening clauses of the Bill make parallel amendments to the Dandenong Valley Authority Act and the Drainage of Land Act to enable the drainage authorities, namely the Dandenong Valley Authority, the Water Commission and the Melbourne and Metropolitan Board of Works, to designate flood levels. As honorable members are aware there is general acceptance, both Australia-wide and overseas, that the 1 per cent probability flood level is an acceptable

designation in that it represents a reasonable degree of risk to which communities may be exposed, and that level will normally be the designated flood level for an area.

I stress that the purpose of this Bill is not to prevent building below the 1 per cent flood level but to ensure that any development below such level does not impose an unreasonable risk on an individual or on the community and takes place with the full knowledge of the risks involved.

Any affected landowner may appeal against the designated flood level.

The Bill indemnifies the drainage authority against any loss or damage allegedly sustained as a result of the designation. This is necessary because, in the opinion of senior counsel, a claim could be made against the drainage authority if a flood of greater magnitude than that designated occurred. Counsel suggests that, without this indemnity protection, a drainage authority would need to designate the highest recorded flood or even the maximum probable flood.

The second objective is to amend the Local Government Act to enable the Uniform Building Regulations to be amended so as to put into effect the Government's intentions for a more flexible approach to building and development on lands liable to flooding. This is necessary, in senior counsel's view, to enable appropriate regulations to be made.

The third objective, and one which the Government sees as of substantial importance, is to provide for councils to administer, in their own districts, building development on lands liable to flooding.

As previously mentioned the Government's policy promotes the concept of adopting the 1 per cent probability level as the basis for this designated flood level. There is, as I stated, wide acceptance of this policy. However, regard must also be had to the existing conditions which apply in those areas where development has proceeded apace for many years. For example, municipalities such as Horsham and Echuca are experiencing problems with infill development in existing subdivisions and with new subdivisions on land liable to flooding which has been zoned for urban development.

In such cases there are reasoned, and reasonable, arguments for permitting such development and for amending the Local Government Act to enable councils, through their administration of the Uniform Building Regulations, to permit such development if the allotments so created allow any buildings to be constructed thereon to comply with the provisions of the regulations.

The relevant amendments provide:

For the proper officer of the council to determine the specified flood level in relation to any building proposal having regard to the flood levels designated by a drainage authority.

For a permit to be issued allowing development at or below the specified flood level subject to the carrying out of such flood proofing measures or works as the council specifies.

The exercise of this latter power is, in each case, subject to the approval of the Minister for Local Government after consultation with the Minister of Water Supply. In order to obviate numerous referrals to those Ministers, however, a council may, with Ministerial consent, specify areas where such development may be permitted.

To achieve the Government's fourth objective of protecting future purchasers and the public purse the Bill also provides:

For the applicant for a building permit to indemnify the council against the consequences of its approval for him to build at or below the designated flood level.

For the issue, on application, of a certificate specifying:

whether a particular piece of land is subject to designated flood levels;

if so, its specified flood level;

whether the land has been granted a permit to build at or below the specified flood level;

or if the land lies in an area where such a permit will be granted.

The Government believes these measures will alert a purchaser as to the situation of lands liable to flooding, leave development options open to both the council and the purchaser and, as well, protect the public purse from claims.

A further protection to all parties is, of course, given by the involvement of the two Ministers in question.

The remaining provisions of the Bill are designed to protect councils and drainage authorities in relation to permits issued, or levels designated, before the commencement of this Act.

The Government believes this Bill will result in a legislative framework which will enhance the administration of building controls, particularly at the municipal level. It will enable councils to proceed with urban building proposals which accord with the aspirations of local communities and it will protect the interests of individuals, whilst at the same time allowing for the evolution of long term strategies to mitigate existing and potential flooding and drainage hazards. This Bill represents the community interest and I commend it to the House.

On the motion of the Hon. R. A. MACKENZIE (Geelong Province), the debate was adjourned.

It was ordered that the debate be adjourned until later this day.

The Hon. D. G. Crozier

COMMERCIAL GOODS VEHICLES (AVIATION FUEL) BILL

The Hon. D. G. CROZIER (Minister for Local Government)—I move:

That this Bill be now read a second time.

The Bill amends the licensing provisions of the Commercial Goods Vehicles Act in relation to the transport of aviation turbine fuel to the Melbourne Airport at Tullamarine.

Honorable members will be aware that VicRail Pipelines Pty Ltd, a wholly-owned company of the Victorian Railways Board, is a member of a joint venture with a number of oil companies for the construction and operation of a multi-product pipeline from Altona to Somerton. The construction of the pipeline has now been completed and it is connected to a pipeline from Somerton to Tullamarine.

The installation will enable aviation turbine fuel for jet aircraft to be supplied direct from Altona to the airport instead of being transported by road tankers. The present average rate of supply of the fuel to the airport is some 1·8 million litres per day. Clearly, direct pipeline supply to the airport will eliminate the need for a large number of road tanker movements of the fuel through the metropolitan area. The advantages to be gained from the project in terms of transport efficiency and overall safety have been basic principles in the Government's support for construction of the pipeline.

A second stage of the project will include construction of multi-product facilities at Somerton to enable road and rail tankers to be filled at the terminal. This will further reduce the need for transport of petroleum products by tanker through the built-up areas.

To ensure early realization of the benefits of the pipeline and maximum use of the first stage, the Government intends that movements of aviation turbine fuel to the airport by road tanker should be restricted.

As honorable members will know, commercial goods vehicles are licensed by the Transport Regulation Board under

Part I. of the Commercial Goods Vehicles Act. Licences are in two general categories—"as of right" licences issued by the board on application, and licences issued at the discretion of the board. The carriage of petroleum is currently licensed "as of right" by the board under sections 5 or 5A of the Act.

The Bill provides for the abolition of "as of right" licensing for the carriage of aviation turbine fuel to the airport. It is, however, prudent to retain an ability for flexible response to unforeseeable circumstances. The existing discretionary power of the board is therefore to be retained so that authority to carry on road may be issued if needed at any time in the future.

In exercising this discretion the board is of course required to follow the procedures provided in the Act. Under the discretionary licensing procedures the board gazettes applications and these are subject to objection, public hearing, determination and review in accordance with the Act. The board is required under section 8 of the Act to have regard primarily to the interests of the public generally and to take into consideration matters including the present adequacy of the existing transportation service.

I turn now to the clauses of the Bill. Clause 2 inserts new provisions in section 5 of the principal Act to:

> extinguish from existing licences and permits all rights for the carriage of aviation turbine fuel to the Melbourne Airport at Tullamarine, and
>
> provide that no new "as of right" licences shall authorize carriage of the fuel to the airport.

This clause also inserts a provision to specify that existing references in the Act to the carriage of petroleum products do not include carriage of aviation turbine fuel to the airport.

Clause 3 inserts new provisions in section 13 of the Act so that any decision of the board for the granting of a permit to authorize carriage of the fuel to the airport will be subject to review by the Minister. Honorable members will recognize that this is in line with existing provisions in the Act for review of decisions by the board to grant discretionary licences.

The passing of this measure will ensure maximum use of the pipeline for transport of aviation turbine fuel and reduce road tanker movements in the metropolitan area. I commend the Bill to the House.

On the motion of the Hon. W. A. Landeryou, for the Hon. G. A. S. BUTLER (Thomastown Province), the debate was adjourned.

It was ordered that the debate be adjourned until later this day.

VICTORIAN DEVELOPMENT CORPORATION (POWERS) BILL

The Hon. D. G. CROZIER (Minister for Local Government)—I move:

> That this Bill be now read a second time.

This Bill provides for additional statutory powers to be given to the Victorian Development Corporation to promote the development of industry in Victoria and exports from Victoria and for certain other administrative matters.

For some time now the Department of State Development Decentralization and Tourism has been undergoing some changes in its administrative structure and the process has highlighted the difficulties of obtaining the requisite skills and experience in the area of commercial negotiations.

This Bill invests the Victorian Development Corporation with responsibility for the promotion and support of industrial development and of exports. The corporation was established in 1973 to provide financial assistance to decentralized industries and for tourist facilities. It has had a good record of careful evaluation and well-directed stimulus to decentralized industry.

Since it was established, the corporation has approved nearly 600 loans, guarantees, and lease-purchase arrangements to a total value of just on $44 million. Perhaps more importantly,

that figure represents about one-third of the cost of the projects involved. The corporation has also provided guarantees of over $4 million to assist decentralized industries to raise funds for growth and development of industrial and tourism projects.

In addition, although this is not a corporation responsibility, the Government has, in fact, provided $18 million in loans over the same period under a decentralization programme to finance the housing of key employees.

Under its enabling Act, the corporation has the powers to do all things necessary or convenient to be done for or in connection with encouraging, promoting, facilitating and assisting in the establishment, carrying on, expansion and development of country industries and with the provision of tourist facilities throughout the State. Its additional responsibilities are set out in clause 3 (1) of the Bill.

Clause 2 is designed to preserve the rights of officers of the Public Service appointed to the corporation within a period of twelve months from the commencement of this Act to rejoin the service and suffer no disability in regard to status, salary or continuity of employment. The clause also provides that any such officer throughout the period of his employment with the corporation will continue to be regarded as an officer of the Public Service within the meaning of the Superannuation Act 1958.

Clause 3 will enable the corporation after full investigation to recommend to the Treasurer that he give a guarantee in suitable cases to support borrowings by an industry to increase production for export. I commend the Bill to the House.

On the motion of the Hon. D. R. WHITE (Doutta Galla Province), the debate was adjourned.

It was ordered that the debate be adjourned until later this day.

The Hon. D. G. Crozier

RAILWAY CONSTRUCTION AND PROPERTY BOARD BILL

This Bill was received from the Assembly and, on the motion of the Hon. D. G. CROZIER (Minister for Local Government), was read a first time.

PRESBYTERIAN TRUSTS BILL

The debate (adjourned from November 29) on the motion of the Hon. Haddon Storey (Attorney-General) for the second reading of this Bill was resumed.

The Hon. W. A. LANDERYOU (Doutta Galla Province)—In his second-reading speech, the Attorney-General outlined the Government's intentions in connection with this measure. He indicated that the Bill had been the subject of prolonged investigation and discussion with all interested parties and said that it confirms, ratifies and validates arrangements made between the Presbyterian Church of Victoria and the Uniting Church in Australia for the division of certain property.

The honorable gentleman went on to explain that the Bill specifically states that it does not deal with any school property. I hope the Bill achieves what the Minister has indicated it will achieve. I also hope the Presbyterian Church and the Uniting Church in Australia will resolve all their problems at an early date.

The Hon. W. R. BAXTER (North Eastern Province)—The National Party supports the Bill on much the same ground as that indicated by Mr Landeryou, in that it comes about by agreement between all the parties concerned, although it took a long time for that agreement to be reached. It is highly desirable that the Bill should name every specific transaction and each individual piece of property that is to be covered.

Section 20 (3) of the Uniting Church in Australia Act 1977 has not been proclaimed, but it was intended that that provision should achieve what this measure sets out to achieve. However, the

section did not set out precisely which pieces of land were involved and there could easily have been disputes. I am pleased that the Bill specifies the individual items.

Nine schools are excluded from the provisions of the Bill and discussions are being held in an effort to try to settle the disagreements over the schools. It should be emphasized that the Bill has nothing to do with the litigation concerning the schools. Those matters are still to be resolved and I hope they will be resolved in the near future.

The Bill will clear up any misunderstandings about the transfer of church properties other than schools and will assist a number of people who have entered into agreements to purchase surplus church properties to gain clear titles.

The motion was agreed to.

The Bill was read a second time and committed.

Clause 1 was agreed to.

Clause 2, relating to interpretations.

The Hon. HADDON STOREY (Attorney-General)—I thank those honorable members who spoke on the motion for the second reading of the Bill and join with them in hoping that the Bill will achieve its objectives.

The clause was verbally amended, and, as amended, was adopted, as were clauses 3 and 4.

Clause 5, relating to property

The Hon. HADDON STOREY (Attorney-General)—I move:

Clause 5, sub-clause (2), line 24, omit "one" where first appearing and insert "three".

Clause 5, sub-clause (2), line 25, omit "two" and insert "four".

The object of the first amendment is to correct a mistake in the sub-clause which mistakenly named column one of Part B of Schedule One and should have named column three. The second amendment makes a corresponding correction to a description of column two, which should have been column four.

I am indebted to the Leader of the Opposition for pointing out that the columns were misdescribed. The mistake arose because of an alteration in the method of setting out the schedule, which occurred after the clause was drafted.

The amendments were agreed to, and the clause, as amended, was adopted, as were the remaining clauses.

Schedule One

The Hon. HADDON STOREY (Attorney-General)—I move:

Schedule One, pages 9 to 24, omit Part A and Part B, and insert the following:

SCHEDULE ONE

PART A

The land now comprised in the following Crown Grants and Certificates of Title:—

Volume	*Folio*
5921	1184148
3757	751276
5880	1175839
6739	1347797
7440	1487823
413	82566
5981	1196167
8818	677
8818	676
3967	793218
8910	679
2013	402432
8310	775
8386	202
8060	979
9146	026
9146	028
2952	590336
3336	667126
6072	1214213
6551	1310103
6775	1354997
8226	984
2604	520755
2500	500000
8153	477
1683	336433
1497	299228
3284	656683
8268	759
9112	231
3923	784468
5115	1022843

Volume	*Folio*
2411	482009
1227	245383
8203	707
983	196547
8258	112
8526	192
8526	193
4491	898099
3618	723596
2226	445052
3035	606998
8450	528
8450	529
8450	530
8450	531
8450	532
2917	583284
6922	1384340
3620	723988
8560	564
4608	651
8454	495
2152	367
255	50810
6593	1318438
3915	782957
3209	641702
3777	755278
8679	509
8046	075
5425	929
2629	525668
8304	396
8329	357
8200	354
1545	308908
3575	714823
2020	403805
8613	717
8049	528
9070	830
8138	144
7910	054
6895	1378969
4366	873012
796	159013
8369	850
2098	419439
3367	673352
3637	727254
2996	599009
5064	1012686
1512	302337
8841	428
2425	484958
196	39071
3646	729002
2513	502411
8674	541
2003	400458
2731	546034
3812	762368
2218	443462
8047	864
6122	1224225
5358	1071495
4204	840796
1439	287708
4191	838132
4345	8680903
8017	032
3331	666186
9210	567
6594	1318774
8785	659
8628	001
5992	1198376
3274	654682
3238	647594
2562	512317
3339	667681
4077	815224
1114	222719
3445	688993

The land described in the following deeds registered by:

Memorial	*Book*
933	527
981	396
241	470
451	615
136	441
993	598
499	148

The land described in the following deeds registered by:

Memorial	*Book*
840	241
129	309
501	572
512	649

excepting thereout the land described in Certificate of Title Vol. 8625 Fol. 322.

The following mortgages registered under the *Transfer of Land Act* 1958:

No.
G 802239 t
G 542719
G 64451
G 188195

PART B

The First Column shows the locality in which the Church Lands are situate ; the Second Column shows the nature of the title, whether Crown Grant, Certificate of Title, or Conveyance; and the Third Column shows in cases of Crown Grants and Certificates of Title respectively the Volume and Folio in the Register Book in the Office of Titles, and in cases of Conveyances registered in the Registrar-General's Office such Third Column shows the Number of each Memorial and Book; which Crown Grants, Certificates of Title, and Memorials of Conveyances respectively contain a description of the lands respectively therein comprised. In all cases where the Volume and Folio are given the Church Lands are under the operation of the *Transfer of Land Act* 1958. In all other cases under the General Law. The Fourth Column shows the trustees in whom the land is vested.

Where * appears opposite any particular land it signifies that part of such land has been sold and duly transferred, conveyed or compulsorily acquired, and that the residue only is intended to be dealt with by this Act.

Column 1 *Locality of Land*	*Column* 2 *Nature of Title*	*Column* 3 *Volume and Folio of Crown Grant or Certificate of Title respectively, or Number of Memorial and Book of Registration of Conveyance*	*Column* 4 *Trustees*
Aspendale	Certificate of Title	Vol. 3886 Fol. 777064	Kenneth Roy Archer, Donald Blair Moulton and Keith Alwyn Murley
Aspendale	Certificate of Title	Vol. 4300 Fol. 859950	Kenneth Roy Archer, Donald Blair Moulton and Keith Alwyn Murley
Aspendale	Certificate of Title	Vol. 4216 Fol. 843017	Kenneth Roy Archer, Donald Blair Moulton and Keith Alwyn Murley
Aspendale	Certificate of Title	Vol. 5194 Fol. 1038646	Kenneth Roy Archer, Donald Blair Moulton and Keith Alwyn Murley
Aspendale	Certificate of Title	Vol. 4751 Fol. 950017	Kenneth Roy Archer, Donald Blair Moulton and Keith Alwyn Murley
Auburn	Certificate of Title	Vol. 8231 Fol. 545	Ross Morton MacDonald, Angus Alfred Horsburgh Smith and Rutherford Kaye Scott
Auburn	Certificate of Title	Vol. 2194 Fol. 438719	Ross Morton MacDonald, Angus Alfred Horsburgh Smith and Rutherford Kaye Scott
Balaclava	Certificate of Title	Vol. 6062 Fol. 1212256	Robert Wesley Allen, Ian Park MacGowan, Kenneth Leslie Dobrich
Balaclava	Certificate of Title	Vol. 6062 Fol. 1212257	Robert Wesley Allen, Ian Park MacGowan, Kenneth Leslie Dobrich
Balmattum	Certificate of Title	Vol. 1332 Fol. 266305	Lindsay Maynard Birch, Allan William Gall
Ballarat, Ebenezer	Certificate of Title	Vol. 1696 Fol. 339099	Robert Gordon Young, James Ford and William Nicholson
Ballarat, Knox	Certificate of Title	Vol. 4095 Fol. 932	Harry Winston Caddy, Jack Neil Wallace and Thomas Keith Trenfield
Ballarat, Knox	Certificate of Title	Vol. 2516 Fol. 503132	Harry Winston Caddy, Jack Neil Wallace and Thomas Keith Trenfield
Ballarat, Scots	Conveyance	No. 8 Book 360	Leslie Joseph Rizzoli and George Borlace Richmond
Ballarat, Scots	Certificate of Title	Vol. 2835 Fol. 885	Leslie Joseph Rizzoli, George Borlace Richmond and Peter Hoskin
Ballarat, Scots	Certificate of Title	Vol. 5621 Fol. 1124014	Leslie Joseph Rizzoli and George Borlace Richmond

Column 1 *Locality of Land*	*Column* 2 *Nature of Title*	*Column* 3 *Volume and Folio of Crown Grant or Certificate of Title respectively, or Number of Memorial and Book of Registration of Conveyance*	*Column* 4 *Trustees*
Ballarat St. Johns	Certificate of Title	Vol. 5269 Fol. 614	Leslie James Drury, Francis George Sarah and William Arthur Pascoe
Ballarat St. Johns	Certificate of Title	Vol. 1358 Fol. 271465	Leslie James Drury, Francis George Sarah and William Arthur Pascoe
Ballarat, St. Johns	Certificate of Title	Vol. 1325 Fol. 264949	Leslie James Drury, Francis George Sarah and William Arthur Pascoe
Ballarat, St. Johns	Certificate of Title	Vol. 800 Fol. 159889	Leslie James Drury, Francis George Sarah and William Arthur Pascoe
Bamawn	Certificate of Title	Vol. 8440 Fol. 719	James Henry Nicholson, Douglas Randal Hancock and Donald Matheson Brown
Baynton	Certificate of Title	Vol. 8194 Fol. 487	Gerald George McKenna, Wildred Edward Green and James Hamilton Young
Brighton	Certificate of Title	Vol. 4596 Fol. 197	Maxwell Walter Bowden, Ian Bruce Ferguson, Jack William Avery, David Norman Burns and Alan Clark Ferguson
Brighton	Certificate of Title	Vol. 8870 Fol. 562	Maxwell Walter Bowden, Ian Bruce Ferguson, Jack William Avery, David Norman Burns and Alan Clark Ferguson
Broadford	Certificate of Title	Vol. 1798 Fol. 359550	Alexander Cockburn Thomson and Wilfred Kevin Crawford
*Broadford	Conveyance	No. 458 Book 331	Alexander Cockburn Thomson and Wilfred Kevin Crawford
Broadford	Certificate of Title	Vol. 8255 Fol. 493	Alexander Cockburn Thomson and Wilfred Kevin Crawford
Camberwell	Certificate of Title	Vol. 3219 Fol. 643675	A. D. G. Adam, A. J. Petrie, H. R. Berg, W. R. Hobbs and H. C. McTaggart
Camberwell	Certificate of Title	Vol. 8875 Fol. 644	A. D. G. Adam, A. J. Petrie, H. R. Berg, W. R. Hobbs and H. C. McTaggart
Canterbury	Certificate of Title	Vol. 2808 Fol. 561493	Ronald Campbell McTaggart, Murray Alan Neil, David Andrew Slater and Ernest O'Donnell
Canterbury	Certificate of Title	Vol. 3667 Fol. 733310	Ronald Campbell MacTaggart, Murray Alan Neil, David Andrew Slater, and Ernest O'Donnell
Canterbury	Certificate of Title	Vol. 4511 Fol. 902003	Ronald Campbell MacTaggart, Murray Alan Neil, David Andrew Slater and Ernest O'Donnell
Canterbury	Certificate of Title	Vol. 2563 Fol. 512462	Ronald Campbell MacTaggart, Murray Alan Neil, David Andrew Slater and Ernest O'Donnell

Column 1	*Column 2*	*Column 3*	*Column 4*
Locality of Land	*Nature of Title*	*Volume and Folio of Crown Grant or Certificate of Title respectively, or Number of Memorial and Book of Registration of Conveyance*	*Trustees*
Canterbury	Certificate of Title	Vol. 4946 Fol. 989151	Ronald Campbell MacTaggart, Murray Alan Neil, David Andrew Slater and Ernest O'Donnell
Caulfield	Certificate of Title	Vol. 2336 Fol. 467057	William Harry Hanson, Harcourt Charles Williams, Frederick Charles McDonald, Phillis Iolanthe Small and Ivor Thomas Davies
Caulfield	Certificate of Title	Vol. 4539 Fol. 097734	William Harry Hanson, Harcourt Charles Williams, Frederick Charles McDonald, Phillis Iolanthe Small and Ivor Thomas Davies
Cheltenham	Certificate of Title	Vol. 5220 Fol. 1043845	James Charles Flavel, Kenneth James Whitehead and Horace Ormond Williams
Clarinda	Certificate of Title	Vol. 8569 Fol. 388	Ross Wilbur Voigt, John Francis Ball and Kenneth Royston Jenkin
Clayton	Certificate of Title	Vol. 8023 Fol. 044	Leslie Riachar McIntyre, Ian Lewis Carmichael and Duncan McInnes
Clifton Hill	Certificate of Title	Vol. 1288 Fol. 257565	Alan Harris Barnett, Christina Myrtle Wilmot and Alan Robert Ferguson
Clifton Hill	Certificate of Title	Vol. 1328 Fol. 265512	Alan Harris Barnett, Christina Myrtle Wilmot and Alan Robert Ferguson
Clifton Hill	Certificate of Title	Vol. 6485 Fol. 1290937	David Tatam
Clifton Hill	Certificate of Title	Vol. 999 Folio 199798	David Spence, Joseph Cole, Edward Office Wallis
Cranbourne	Certificate of Title	Vol. 1103 Fol. 220432	Norman L. Brunt, Frederick William Greaves, Edward Kennett and Arthur Ernest Jones
Daylesford	Certificate of Title	Vol. 671 Fol. 134103	Victor Stanley Newton, Frederick William Stanley Verey, John William Jayes
Daylesford	Certificate of Title	Vol. 2579 Fol. 515665	Victor Stanley Newton, Frederick William Stanley Verey, John William Jayes
Daylesford	Certificate of Title	Vol. 735 Fol. 146807	Victor Stanley Newton, Frederick William Stanley Verey, John William Jayes
Donvale	Certificate of Title	Vol. 8420 Fol. 823	John Causton Foyster
Dromana	Certificate of Title	Vol. 5555 Fol. 1110884	Stanley Williams and John Edwin Loveland
Dromana	Certificate of Title	Vol. 5564 Fol. 1112773	St6nley Williams and John Edwin Loveland
Dromana	Certificate of Title	Vol. 8460 Fol. 401	Stanley Williams and John Edwin Loveland
Eaglehawk	Conveyance	No. 344 Book 229	Ian Hamilton Kenneth Nixon, Andrew Henry Williamson, Ronald George Manning, John James Stewart and Frederick Hilton Burrows
Eltham	Certificate of Title	Vol. 6883 Fol. 1376416	Johannes Jacobs Genger, Albert Lindsay Russell, Alister Samuel Knox
Eltham	Certificate of Title	Vol. 8298 Fol. 145	Johannes Jacobs Genger, Albert Lindsay Russell, Alister Samuel Knox

Column 1 *Locality of Land*	*Column* 2 *Nature of Title*	*Column* 3 *Volume and Folio of Crown Grant or Certificate of Title respectively, or Number of Memorial and Book of Registration of Conveyance*	*Column* 4 *Trustees*
Ettrick	Certificate of Title	Vol. 3281 Fol. 656024	Edwin Ernest Field, Angus John Wyllie, William Rex Millard
Ettrick	Certificate of Title	Vol. 2970 Fol. 593832	Edwin Ernest Field, Angus John Wyllie, William Rex Millard
Flemington	Certificate of Title	Vol. 3375 Fol. 674829	Reginald Geoffrey Harding, John Stuart MacDougall and Edward Durham Eastham
Flemington	Certificate of Title	Vol. 2582 Fol. 516204	Reginald Geoffrey Harding, John Stuart MacDougall and Edward Durham Eastham
Flemington	Certificate of Title	Vol. 3017 Fol. 603379	Reginald Geoffrey Harding, John Stuart MacDougall and Edward Durham Eastham
Footscray West	Certificate of Title	Vol. 4739 Fol. 947693	Henry William Holt, Margaret Jane Stewart and Russell Ernest Mayo
Footscray West	Certificate of Title	Vol. 5783 Folio 1156582	Henry William Holt, Margaret Jane Stewart and Russell Ernest Mayo
Footscray West	Certificate of Title	Vol. 7319 Fol. 1463654	Henry William Holt, Margaret Jane Stewart and Russell Ernest Mayo
Franklinford	Certificate of Title	Vol. 832 Fol. 166301	William Strachan, William Franklin Dougall and John Robertson
Gardenvale East	Certificate of Title	Vol. 8187 Fol. 641	William Henry Sargood, William Bowen, John Hills, Thomas Harper Floyd
Gardenvale East	Certificate of Title	Vol. 4081 Folio 816153	William Henry Sargood, William Bowen, John Hills and Thomas Harper Floyd
Geelong, Scots	Certificate of Title	Vol. 8311 Folio 481	Roy Hetherton, Maxwell James McKinlay, Mrs. Agnes Keys and Mrs. Dorothy Knight
Geelong, Scots	Certificate of Title	Vol. 2671 Fol. 534087	Roy Hetherton, Maxwell James McKinlay, Mrs. Agnes Keys and Mrs. Dorothy Knight
Geelong, Scots	Certificate of Title	Vol. 2841 Fol. 568154	Roy Hetherton, Maxwell James McKinlay, Mrs. Agnes Keys and Mrs. Dorothy Knight
Geelong, North Shore	Certificate of Title	Vol. 8277 Fol. 876	Roger Hall Allan Thomas Wilson and George Allen Peter Hawker
Geelong, St. Georges	Certificate of Title	Vol. 3299 Fol. 659786	James Archibald Ramage, Lynton George Hamilton and Franklin Robert Blair
Geelong North	Conveyance	No. 390 Book 543	David William Lawrie, Harold William Drayton, Donald James Finlay and Caleb Joseph Wilson
Geelong North	Certificate of Title	Vol. 5874 Fol. 117497	David William Lawrie, Harold William Drayton, Donald James Finlay, Caleb Joseph Wilson
Girgarre East	Certificate of Title	Vol. 2331 Fol. 466148	Neil McLarty, Andrew Collie and Andrew Donaldson
Gisborne	Certificate of Title	Vol. 8908 Fol. 784	Edward John Guy, George Scott and Ronald Webster

Column 1	*Column 2*	*Column 3*	*Column 4*
Locality of Land	*Nature of Title*	*Volume and Folio of Crown Grant or Certificate of Title respectively, or Number of Memorial and Book of Registration of Conveyance*	*Trustees*
Gisborne	Certificate of Title	Vol. 8908 Fol. 785	Edward John Guy, George Scott and Ronald Webster
Gisborne	Certificate of Title	Vol. 8908 Fol. 790	Edward John Guy, George Scott and Ronald Webster
Gisborne	Certificate of Title	Vol. 8908 Fol. 791	Edward John Guy, George Scott and Ronald Webster
Gisborne	Certificate of Title	Vol. 2478 Fol. 495564	Edward John Guy, George Scott and Ronald Webster
Gisborne	Conveyance	No. 646 Book 46	Edward John Guy, George Scott and Ronald Webster
Gisborne	Conveyance	No. 352 Book 120	Edward John Guy, George Scott and Ronald Webster
Gisborne	Conveyance	No. 60 Book 150	Edward John Guy, George Scott and Ronald Webster
Hamilton	Certificate of Title	Vol. 2531 Fol. 506085	J. A. Black, R. Hunter, A. E. Menzel, W. V. Mason and L. Burgin
Hamilton	Certificate of Title	Vol. 8169 Fol. 973	J. A. Black, R. Hunter, A. E. Menzel, W. V. Mason and L. Burgin
Hawthorn	Certificate of Title	Vol. 3970 Fol. 793964	Allan Charles Neil, Brian Darnton Bayston, John Harold McCracken and Alfred George Miller
Hawthorn	Conveyance	No. 594 Book 291	Allan Charles Neil, Brian Darnton Bayston, John Harold McCracken and Alfred George Miller
Hawthorn	Certificate of Title	Vol. 4310 Fol. 861866	Allan Charles Neil, Brian Darnton Bayston, John Harold McCracken and Alfred George Miller
Hawthorn	Certificate of Title	Vol. 2020 Fol. 403813	Allan Charles Neil, Brian Darnton Bayston, John Harold McCracken and Alfred George Miller
Heathcote	Conveyance	No. 83 Book 124	Robert Joseph Glouston, Charles Harry Elsbury, Trevor Lewis Warkins, Allan Henry McDonald and Kenneth Lang
Heathmont	Certificate of Title	Vol. 8074 Fol. 350	Arthur Kingsley Clark, John William Conboy, Alexander Ross Lawson, Richard John Martin and Jack Roberts
Heathmont	Certificate of Title	Vol. 8325 Fol. 020	Arthur Kingsley Clark, John William Conboy, Alexander Ross Lawson, Richard John Martin and Jack Roberts
Heathmont	Certificate of Title	Vol. 8325 Fol. 022	Arthur Kingsley Clark, John William Conboy, Alexander Ross Lawson, Richard John Martin and Jack Roberts

Column 1	*Column 2*	*Column 3*	*Column 4*
Locality of Land	*Nature of Title*	*Volume and Folio of Crown Grant or Certificate of Title respectively, or Number of Memorial and Book of Registration of Conveyance*	*Trustees*
Heathmont	Certificate of Title	Vol. 8325 Fol. 023	Arthur Kingsley Clark, John William Conboy, Alexander Ross Lawson, Richard John Martin and Jack Roberts
Heathmont	Certificate of Title	Vol. 8756 Fol. 165	Arthur Kingsley Clark, John William Conboy, Alexander Ross Lawson, Richard John Martin and Jack Roberts
*Janefield	Conveyance	No. 653 Book 98	Hubert Percy Milton Graff, Lindsay David Williamson, Everard Charles Cardwell, James Nicholas Clements
Kaniva	Certificate of Title	Vol. 2198 Fol. 439432	James Hugh Paterson, David Coutts, Malcolm McKenzie, Alfred Grundy and Thomas Richardson Kean
Koroit	Cerificate of Title	Vol. 1021 Fol. 204150	Archibald John Paton, George Archibald Walker, Charles Grant Warnock
Lexton	Conveyance	No. 493 Book 402	Edward Rudolph Muller, Eric John Ball and Ivie Campbell McErvale
Linton	Certificate of Title	Vol. 2413 Fol. 482486	Graeme McDonald and Colin Kerr
Lismore	Certificate of Title	Vol. 691 Fol. 138192	David Ian Gibson, Alexander John Annesley Brett and Stanley Edmond Gleeson
Little River	Conveyance	No. 585 Book 330	Ian Robert Richmond and Neil James
Mailor's Flat	Certificate of Title	Vol. 3010 Fol. 601896	William Primmer, Henry McCosh, Rupert James Paton and Leslie Allen Harwood
Malvern	Certificate of Title	Vol. 3117 Fol. 623384	Robert William Christie, Stuart Leigh Smith and Reginald Joseph Jackson
Malvern	Certificate of Title	Vol. 3319 Fol. 663719	Robert William Christie, Stuart Leigh Smith and Reginald Joseph Jackson
Malvern	Certificate of Title	Vol. 3573 Fol. 714567	Robert William Christie, Stuart Leigh Smith and Reginald Joseph Jackson
Malvern	Certificate of Title	Vol. 2987 Fol. 597260	Robert William Christie, Stuart Leigh Smith and Reginald Joseph Jackson
Malvern	Certificate of Title	Vol. 3775 Fol. 754935	Robert William Christie, Stuart Leigh Smith and Reginald Joseph Jackson
Malvern	Certificate of Title	Vol. 5188 Fol. 1037452	Robert William Christie, Stuart Leigh Smith and Reginald Joseph Jackson
Marong	Certificate of Title	Vol. 1871 Fol. 374163	Wootton John Lansell and George McLay
Mernda	Conveyance	No. 319 Book 98	Hubert Percy Milton Graff, Lindsay David Williamson, James Nicholas Clements and Everard Frank Cardwell
Moe	Certificate of Title	Vol. 8520 Fol. 042	William Alexander Purvis, John Forrest Corp and William Bathie
Moe	Crown Grant	Vol. 2995 Fol. 841	William Alexander Purvis, John Forrest Corp and William Bathie

Column 1 Locality of Land	Column 2 Nature of Title	Column 3 Volume and Folio of Crown Grant or Certificate of Title respectively, or Number of Memorial and Book of Registration of Conveyance	Column 4 Trustees
Mordialloc	Certificate of Title	Vol. 7954 Fol. 081	Edna Dorothy Taylor, John Thomas Dickenson, Howarth Joseph Penning, William College Burdett and Donald James Wishart
Mordialloc	Certificate of Title	Vol. 1828 Fol. 365498	Edna Dorothy Taylor, John Thomas Dickenson, Howarth Joseph Penning, William College Burdett and Donald James Wishart
Morwell	Certificate of Title	Vol. 4617 Fol. 923344	Albert William Medew, Thomas Henry Sides and Robert Tolmie Porter
Mount Evelyn	Certificate of Title	Vol. 5869 Fol. 1173781	John Koolmees
Nagambie	Certificate of Title	Vol. 3286 Fol. 657122	Arthur Victor Jones and Fred Stirling Parris
Nagambie	Certificate of Title	Vol. 1941 Fol. 388121	Arthur Victor Jones and Fred Stirling Parris
Nelson	Certificate of Title	Vol. 3357 Fol. 671315	John Angus McEachern, John McIntyre Brown and Allan Francis
Pascoe Vale North	Certificate of Title	Vol. 8071 Fol. 786	Charles Wemyss, Gordon Robert Barry, William Ernst Forster, George Towell and Robert Morgan
Port Fairy	Conveyance	No. 942 Book 730	John Clancy, Kenneth William Knox, Colin Frances Crow and Russell William Clark
Redesdale	Certificate of Title	Vol. 1179 Fol. 235759	Charles Machin William Poole, John McKenzie, Thomas Gibbard and Andrew McKenlay
Reservoir	Certificate of Title	Vol. 6332 Fol. 1266334	George Henry Scott, Ronald Webster and Edward Guy
Reservoir	Certificate of Title	Vol. 4334 Fol. 866649	George Henry Scott, Ronald Webster and Edward Guy
Richmond Plains	Certificate of Title	Vol. 2622 Fol. 524311	Colin McRorie Lang, James Wickham Stuart, Geoffrey Peter Hilliard and William Niel Gould
Rochester	Certificate of Title	Vol. 739 Fol. 147798	Herbert Ronald Westcott
Rochester	Certificate of Title	Vol. 4758 Fol. 951489	John Johnstone, John Rae Bickley and Gordon Brough Watson
Rochester	Certificate of Title	Vol. 3521 Fol. 704096	Herbert Ronald Westcott
Russell's Bridge	Certificate of Title	Vol. 1010 Fol. 201813	Alan Charles Longmore, James Archibald Ramage, Colin Ernest Baker and Murray James Parker
Scarsdale	Certificate of Title	Vol. 9103 Fol. 219	Keith Murdock McPherson, Phillip Ivan McLean and Leslie Edward Sheil
Seymour	Certificate of Title	Vol. 5935 Fol. 1186900	William Ridley McIntosh
Seymour	Certificate of Title	Vol. 7926 Fol. 109	William Ridley McIntosh
Seymour	Certificate of Title	Vol. 5453 Fol. 1090593	William Ridley McIntosh
Seymour	Certificate of Title	Vol. 6230 Fol. 1245971	William Ridley McIntosh
Seymour	Certificate of Title	Vol. 5646 Fol. 1129011	William Ridley McIntosh
Seymour	Certificate of Title	Vol. 5387 Fol. 1077386	William Ridley McIntosh
Seymour	Certificate of Title	Vol. 5659 Fol. 1131793	William Ridley McIntosh

Column 1	*Column 2*	*Column 3*	*Column 4*
Locality of Land	*Nature of Title*	*Volume and Folio of Crown Grant or Certificate of Title respectively, or Number of Memorial and Book of Registration of Conveyance*	*Trustees*
Seymour	Certificate of Title	Vol. 6347 Fol. 1269388	William Ridley McIntosh
Seymour	Certificate of Title	Vol. 2051 Fol. 410086	William Ridley McIntosh
Skipton	Conveyance	No. 541 Book 216	Neville Peter Fraser, Percival George Nash and Vernon Stanley Smith
Smeaton	Certificate of Title	Vol. 2477 Fol. 358	Alexander Archibald and William Isaac Toose
Somerville	Certificate of Title	Vol. 8478 Fol. 353	Margaret Douglas Bond, Kenneth Maxwell Andrews and Leopold Fredrik Soderlund
Somerville	Certificate of Title	Vol. 9353 Fol. 841	Margaret Douglas Bond, Kenneth Maxwell Andrews and Leopold Fredrik Soderlund
South Yarra	Certificate of Title	Vol. 6347 Fol. 1269235	Thomas John Beresford George, Ernest John Pumpa, George Ross Hay and Thomas Remington Sutherland
St. Kilda	Conveyance	No. 974 Book 128	Desmond Walter Palmer, Elizabeth Ann Logue, Sam George Cook and Ella Service
St. Kilda	Conveyance	No. 232 Book 427	Desmond Walter Palmer, Elizabeth Ann Logue, Sam George Cook and Ella Service
St. Kilda	Certificate of Title	Vol. 2315 Fol. 948	Desmond Walter Palmer, Elizabeth Ann Logue, Sam George Cook and Ella Service
St. Kilda	Certificate of Title	Vol. 4482 Fol. 896230	Desmond Walter Palmer, Elizabeth Ann Logue, Sam George Cook, Ella Service
St. Kilda	Certificate of Title	Vol. 1397 Fol. 279359	Desmond Walter Palmer, Elizabeth Ann Logue, Sam George Cook and Ella Service
Stockyard Hill	Certificate of Title	Vol. 2208 Fol. 441567	James Neville Kirkpatrick, John Kirkpatrick and Alan Hayes
Sunshine	Certificate of Title	Vol. 8465 Fol. 235	William John Bell, Robert Ackland McDonald, Colin Leslie Phillips, Gilbert John Bell and John Alfred Pettifer
Sunshine	Certificate of Title	Vol. 3437 Fol. 687333	William John Bell, Robert Ackland McDonald, Colin Leslie Phillips, Gilbert John Bell, John Alfred Pettifer
Surrey Hills	Certificate of Title	Vol. 7018 Fol. 1403595	David Stuart Slater and Graham Edward Tassicker
Surrey Hills	Certificate of Title	Vol. 3961 Fol. 792193	David Stuart Slater and Graham Edward Tassicker
Surrey Hills	Certificate of Title	Vol. 2047 Fol. 409351	David Stuart Slater and Graham Edward Tassicker
Surrey Hills	Certificate of Title	Vol. 5127 Fol. 309	David Stuart Slater and Graham Edward Tassicker
Surrey Hills	Certificate of Title	Vol. 8112 Fol. 456	David Stuart Slater and Graham Edward Tassicker
Sutherlands Creek	Conveyance	No. 416 Book 265	George Hope, Duncan McCallum Joseph Mayor Hale

Column 1	*Column 2*	*Column 3*	*Column 4*
Locality of Land	*Nature of Title*	*Volume and Folio of Crown Grant or Certificate of Title respectively, or Number of Memorial and Book of Registration of Conveyance*	*Trustees*
Tallygaroopna	Certificate of Title	Vol. 3346 Fol. 669025	Robert Keith Dudley, Henry Keith Humphreys, George Stanley Kerr, Ronald William McPherson and Albert William Larson
Tatura	Certificate of Title	Vol. 6008 Fol. 1201568	Edgar James Mitchell, William Harold Cheatley and James Burt Stewart
Tatura	Certificate of Title	Vol. 3989 Fol. 769	Edgar James Mitchell, William Harold Cheatley, James Burt Stewart and Alan Graham Clapp
Tatura	Certificate of Title	Vol. 1425 Fol. 284848	William Cross, Hill Chestnut, George Stewart, Charles Grover and Andrew Chambers
Terang	Certificate of Title	Vol. 2773 Fol. 554473	Thomas Montgomery Bradshaw, Archie Bruce McCrabb, Ewen Daniel MacKinnon and David Edward Trickett
The Sisters	Certificate of Title	Vol. 3570 Fol. 713809	John George Blain and William Gordon Attrill
Torquay	Certificate of Title	Vol. 9335 Fol. 508	David Keith Pitcairn Miller
Ultima	Certificate of Title	Vol. 3532 Fol. 706346	Allan William Biggs, Alexander John Canning, Eric Alexander Jones and Howard Keith Stanya
Warrnambool	Certificate of Title	Vol. 5935 Fol. 1186976	Ian McDonald Taylor, David Roy McPhail, William Rex Fotherington and Leslie Stevens
Warrnambool	Certificate of Title	Vol. 1538 Fol. 307590	Ian McDonald Taylor, David Roy McPhail, William Rex Fotherington and Leslie Stevens
Warrnambool	Certificate of Title	Vol. 1440 Fol. 287985	Ian McDonald Taylor, David Roy McPhail, William Rex Fotherington and Leslie Stevens
Warrnambool	Certificate of Title	Vol. 8772 Fol. 896	Ian McDonald Taylor, David Roy McPhail, Rex William Fotherington and Leslie Stevens
Warrnambool	Certificate of Title	Vol. 635 Fol. 126834	Ian McDonald Taylor, David Roy McPhail, William Rex Fotherington and Leslie Stevens
Williamstown	Conveyance	No. 520 Book 443	Donald Halden MacLeod, Lindsay George Caithness, Thomas Harold Leek and Alexander Allen Stewart
Williamstown	Certificate of Title	Vol. 3247 Fol. 649358	Donald Halden MacLeod, Lindsay George Caithness, Thomas Harold Leek and Alexander Allen Stewart
Williamstown	Certificate of Title	No. 3247 Fol. 649359	Donald Halden MacLeod, Lindsay George Caithness, Thomas Harold Leek and Alexander Allen Stewart
Woodford	Conveyance	No. 304 Book 7	John Redmond, Robert Reid Crothers and William Henry Bligh
Woodford	Certificate of Title	Vol. 1569 Fol. 313605	John Redmond, Robert Reid Crothers and William Henry Bligh

Column 1	*Column 2*	*Column 3*	*Column 4*
Locality of Land	*Nature of Title*	*Volume and Folio of Crown Gront or Certificate of Title respectively, or Number of Memorial and Book of Registration of Conveyance*	*Trustees*
Woodford	Certificate of Title	Vol. 2994 Fol. 598609	John Redmond, Robert Reid Crothers and William Henry Bligh
Woolsthorpe	Crown Grant	Vol. 883 Fol. 176530	Francis Wilson Bennett, John Lindsay Douglas and Alan William Officer
Yarram	Certificate of Title	Vol. 7788 Fol. 181	Wilfred Patrick Harrap, Phillip George William Hastings and Ronald Sydney Wight
Yea	Conveyance	No. 934 Book 656	Colin Alexander McLeish, Norman Jones Hamilton and William Anderson Purcell
Yea	Certificate of Title	Vol. 8177 Fol. 936	Colin Alexander McLeish, Norman Jones Hamilton and William Anderson Purcell

The schedules to the Bill were prepared on advice received by Parliamentary Counsel from the Presbyterian Trusts Corporation. After the Bill was explained to the House, the details set out in the schedules were checked with the Registrar of Titles and it appeared that there were a number of errors in the descriptions of the land and some of the other details. I have given the members of the other parties who were handling the Bill a marked copy of the schedules showing the corrections that have to be made, but, for the convenience of the Committee, the most appropriate way in which to deal with the problem is simply to replace the parts of schedules.

The amendment was agreed to, and the schedule, as amended, was adopted.

Second Schedule.

The Hon. HADDON STOREY (Attorney-General)—I invite the Committee to negative the schedule. A new schedule, a copy of which has been circulated, will be moved for the reasons given in relation to the earlier amendments.

The schedule was negatived.

New Schedule.

The Hon. HADDON STOREY (Attorney-General)—I move:

That the following new schedule be inserted:

SCHEDULE TWO

TRANSACTIONS TO BE RATIFIED

In this Schedule "Trusts Corporation" means the Presbyterian Church of Victoria Trusts Corporation.

Various Applications for Crown Grants in respect of Crown Reserve Sites reserved for Presbyterian Church purposes under the provision of Act No. 391.

Contract of Sale W. H. Peters and Ors. (Trustees) to K. and M. T. Fitzgerald; 13.8.1977; 27 Radovick Street, Korumburra.

Contract of Sale Trusts Corporation to Mayor Councillors and Citizens of the City of Waverley; 7.12.1977; Ferntree Gully Road, Mulgrave (Part of Conveyance No. 277 Book 365).

Conveyance in respect of the above matter.

Contract of Sale Trusts Corporation to Third Aquatrice Pty Ltd; 22.12.1977; 11 Selborne Road, Toorak (Certificate of Title Volume 3477 Folio 224).

Transfer in respect of the above matter.

Conveyance (Book 773 No. 648) Trusts Corporation to Country Roads Board; Part of Crown Portion 85, Parish of Mulgrave.

Creation of Easement Trusts Corporation to Melbourne and Metropolitan Board of Works *re* Certificate of Title Volume 8933 Folio 598.

Discharge of Mortgage; 2.12.1979; Trusts Corporation to J. H. R. Freeman Pty Limited.

Lease Trusts Corporation to Kornblums Pty Ltd; 8.12.1978; 139 Chetwynd Street, North Melbourne.

Transfer of Land Trusts Corporation to J. G. and L. J. Arthur of land contained in Certificate of Title Volume 8275 Folio 324.

Transfer of Land Trusts Corporation to J. C. Knorr of land contained in Certificate of Title Volume 2718 Folio 410.

Transfer of Land Trusts Corporation to T. and M. Mariani of land contained in Certificate of Title Volume 6296 Folio 056.

APPLICATIONS AND DEALINGS LODGED IN OFFICE OF TITLES

Application No. 57451—Application by Trusts Corporation pursuant to Section 9 of the Transfer of Land Act 1958 in respect of part of Crown Portion 85, Parish of Mulgrave.

Applications by Trusts Corporation to have Plans of Subdivision 131626 and 131627 approved *re* the land contained in Certificate of Title Volume 3286 Folio 122.

Application by Trusts Corporation to have Plan of Consolidation No. CP107755 approved *re* the land contained in Certificates of Title Volume 8907 Folio 316 and Volume 9245 Folio 005 and part of the land contained in Conveyance No. 277 Book 365.

Application by Margaret D. Bond and others (Trustees) to have Plan of Consolidation No. CP109027 approved *re* Certificates of Title Volume 9107 Folios 915 and 916.

Dealing No. G824627—Transfer Trusts Corporation to N. F. Edney of Lot 1 on Plan of Subdivision No. 122823 (Lot 2, balance of Crown Grant Volume 2894 Folio 670, retained by Trusts Corporation).

Dealing No. G876064—Mortgage A. K. and G. H. Telgenhof to Trusts Corporation.

Dealing No. G922073—Variation of Mortgage Nellor Investments Pty Limited to Trusts Corporation.

Dealing No. H58773—Discharge of Mortgage Trusts Corporation to B.W.D.R. Nominees Proprietary Limited and others.

Dealing No. H58774—Mortgage B.W.D.R. Nominees Proprietary Limited to Trusts Corporation.

Dealing No. H113050—Mortgage Trusts Corporation to C.B.C. Savings Bank Limited.

Dealing No. H143415—Transfer of Land Ormidale Pty Ltd to Trusts Corporation of part of land contained in Certificate of Title Volume 8850 Folio 597.

Dealing No. H263870—Transfer of Land E. Holland to Trusts Corporation of land contained in Certificates of Title Volume 9146 Folio 026 and Volume 9146 Folio 028.

Dealing No. H449737—Variation of Mortgage Mattingley Court Pty Ltd to Trusts Corporation.

Dealing No. H494458—Discharge as Part of same Mortgage.

Dealing No. H449738—Variation of Mortgage M. Bender and P. Bender to Trusts Corporation.

Dealing No. H577031—Discharge of the above Mortgage.

Dealing No. H459069—Discharge as to Part of Mortgage Trusts Corporation to D. G. Peace.

Dealing No. H454026—Discharge as to Part of Mortgage (same parties as above).

Dealing No. H469850—Discharge as to Part of Mortgage (same parties as above).

Dealing No. H484857—Discharge as to Part of Mortgage (same parties as above).

Dealing No. H461494—Creation of Easement Trusts Corporation to The President Councillors and Ratepayers of the Shire of Sherbrooke *re* Certificate of Title Volume 6739 Folio 797.

Dealing No. H561363—Transfer W. A. Pascoe, L. J. Drury and F. G. Sarah (Trustees) to Robert Ritchie (Sebastapol) Proprietary Limited of the land contained in Certificates of Title Volume 800 Folio 889 Volume 1325 Folio 949 Volume 1358 Folio 465 and Volume 5269 Folio 614.

Dealing No. H541629—Discharge of Mortgage Trusts Corporation to Photogravures Proprietary Limited.

Dealing No. H541631—Mortgage Photogravures Proprietary Limited to Trusts Corporation.

Dealing No. H659345—Variation of Mortgage G. G. Block and R. C. Block to Trusts Corporation.

Dealing No. H670426—Mortgage Trusts Corporation to the National Bank of Australasia Limited.

Dealing No. H704422—Mortgage Apex Spring Works Pty Ltd to Trusts Corporation.

Dealing No. H705305—Discharge of Mortgage Trusts Corporation to R. Arnold and B. I. Arnold.

Dealing No. H707127—Discharge of Mortgage Trusts Corporation to Calcara Estates Proprietary Limited.

Dealing No. H717154—Discharge of Mortgage Trusts Corporation to Segmar Nominees Pty Ltd.

Dealing No. H754959—Discharge of Mortgage Trusts Corporation to J. W. Curtin.

The reasons were given in relation to the earlier amendment.

The new schedule was agreed to.

The Bill was reported to the House with amendments, and passed through its remaining stages.

PRESBYTERIAN SCHOOLS BILL

The debate (adjourned from November 29) on the motion of the Hon. A. J. Hunt (Minister of Education) for the second reading of this Bill was resumed.

The Hon. W. A. LANDERYOU (Doutta Galla Province)—The Labor Party takes the view that this Bill should not be before Parliament. The Bill asks Parliament to take an attitude on matters which should properly be determined outside the Parliament. Those matters can be determined quite properly with the machinery existing outside Parliament.

The background and the concept of this Bill can, I believe, be found in the trouble that followed the passing of the Presbyterian Church of Australia Act

in 1971. I understand the Government had had representations made to it at the back-bench level, at party level and at Cabinet level, as have all members of the Labor Party from various groups which have professed to have interests in the Bill.

As I understand it, the Act clearly provided for a division of the properties of the Presbyterian Church following a decision in a case called *The House of Lords* v. *The Free Church*, which was heard in 1904; and it was decided by the minority that, if there was to be a continuing minority of Presbyterians, they would give up their rights to whatever property the Presbyterian Church, as it was prior to the passage of that legislation, owned. It was a fairly significant sacrifice, to have an interest in property but, in the interests of the majority, to concede the right of the majority to take the substantial part of the assets.

It is put to me that part of the trust Act, which gave legal effect to the aspirations of the Presbyterian Church requires it—and I think its members still believe they have this obligation—to maintain a boys' school and a girls' school within each of the States. The Property Commission was set up and agreed to by the churches involved and it was comprised of three Presbyterians, three Methodists, an Anglican, a Congregationalist and a Salvationist. That commission met in Sydney following the passage of certain legislation and decided to divide up the various church properties. The Congregationalists solved their problem by an almost absolute devolution of power, allowing each local congregation to decide whether the property would go to the new congregation or to the Uniting Church in Australia. Decisions were made by the Property Commission with respect to the two principal areas which this Bill clearly aims to protect—those who have, until recent times, had almost an unbridled and an unchallenged power over the school communities known as Scotch College and the Presbyterian Ladies College. Until recently that power has existed; but it was the decision of the Property Commission that both of those schools should become the property of the Presbyterian Church.

In my life, I have been involved in a number of demarcation disputes and I assure the House that none of them has been as confusing or as heart-rending as this one. It still seems to the Labor Party crystal clear that the result of the decision of the Property Commission has been accepted around Australia, save with respect to those two schools. I know the problem is not as simple as that, but that is how it is presented to Parliament today. Honorable members are being asked to determine whether those who are in the continuing Presbyterian Church should give up that property which has already been awarded to them. Honorable members are being asked to intervene.

The Hon. D. N. Saltmarsh—That is not correct.

The Hon. W. A. LANDERYOU—The honorable member will have his opportunity and with respect to such matters he may be able to speak with considerably more authority than I can. However, with my feet firmly on the ground and my belief in all things material, I am concerned with the property and the rights of the churches and the role of the churches. It is an extraordinary set of circumstances where Parliament is asked to intervene because, as I was about to say before Mr Saltmarsh's interjection, the Property Commission made its award. It follows from that, does it not, that there ought to have been a handing over of the property? However, in the best traditions, there was a turning of the cheek for a period because the Presbyterian General Assembly of Victoria decided not to proceed to take possession of its property. That is, it did not dismiss out of hand the school councils of those two schools.

The Hon. W. R. Baxter—It could not. There is a legal difficulty as to whether it exists.

The Hon. W. A. LANDERYOU—That is an issue, and I understand that it is the matter which motivates the Attorney-General. I will come to a different

conclusion from that. I ask honorable members to bear with me so that all may eventually understand my point. The reality is that, in New South Wales, the Presbyterian Church accepted the responsibilities of appointing school councils to Scotch College in Sydney and the Presbyterian Ladies College in Croydon, New South Wales. Those schools were awarded to the Presbyterian Church and that matter has been, one would have expected when dealing with such citizens, resolved completely devoid of any conflict. There was no confusion as to the legal identity and no confusion as to who had authority, legal or otherwise, to proceed to use that property for the benefit of the Presbyterian Church.

However, in Victoria the situation is that the Presbyterian General Assembly, no one taking the point at the time about legal authority, decided that there was this conflict, because there were in existence school councils consisting of people, no matter how well-meaning, who were unrepresentative of the continuing Presbyterian Church—and I confess I wear that cap with some difficulty.

Having regard to some of the vested interests being voiced in this Chamber about the ownership of property and who should control it, I find it surprising if not astonishing that a Government committed to the principle of private ownership and freedom of the economic system should put before Parliament a Bill which, for the time being, without authority gives to people continuing control and carriage of the responsibility for property which belongs, in accordance with the process of the Property Commission, agreed to by all and sundry, to the Presbyterian Church. That is what this Bill does. It does it in the name of preserving continuity, or to use the words of the Attorney-General, it does it in the name of a return to the *status quo*. He, who holds the highest office any member of his profession can have bestowed upon him by this Parliament, would know that the litigation that has begun will be long-winded, if it is left to the courts to decide. One would hope, a hope which would be shared by those on all sides of this debate, that the courts will not have to decide this matter. One of the fears I have is that, if it had not been for this Bill, perhaps the litigation would not still be continuing.

The Hon. W. R. Baxter—How could that be?

The Hon. W. A. LANDERYOU—I will come to that in a minute. Another thing the honorable member should listen to carefully is that the interests of the legal representatives of the Presbyterian Church in this matter have, since legal action commenced, claimed to me, to the Labor Party and to others that the school councils themselves, the church interests, were involved in negotiations to avoid court action and that conversations were taking place between the parties with a view to settlement. Compromise was in the air, as one would have thought true, God-fearing Christians were capable of achieving; but on Thursday morning, 29 November, it was intimated that the latest proposals of the continuing Presbyterian Church—which had been formulated, as I understand it, by the Uniting Church in Australia—were rejected.

The Presbyterian Church interests were told that no counter proposals would be put forward. If one were in the negotiating stage and knew that the Attorney-General was about to present to Cabinet a Bill such as the one before the House, what a negotiating position that would be! Why would one be tempted to put forward counter proposals or even consider the compromise proposals put forward by the Presbyterian Church? This Bill, of course, is not a compromise; it takes the side directly of one party involved in the dispute. I often have difficulty with the concept of one-sex education. One can see the harm that it does to some people when one considers some members of this House.

On the one hand, the owners of the property, the controllers of the property, in the sense of the Property Commission award, are being denied access to that property. The Parliament is being asked, by this Bill, to take the side of one of the participants in the litigation before the courts. In the Westminster

tradition it is most unusual for a Parliament to intervene in any matter that is currently before the courts. Yet, under the name of preserving the banner of the prevailing interests of the councils of the two most exclusive schools, the Government is taking sides. Perhaps the Bill does not transgress that rule of *sub judice* to the point where I could use it as a debating point with a view to trying to stop the Bill.

It seems strange that when two sides are fighting and one puts up a compromise, the Attorney-General kicks one side out of the argument. It seems to be an act of unchristian lack of charity. What could be solved with deftness and speed in New South Wales has not been resolved in Victoria because the school councils take the view that they have rights beyond the decision of the property commission. The property commission having made its decision, if the Presbyterian General Assembly in Victoria had acted with all speed and had not turned the other cheek at that time in the hope that time would erase some of the difficulties, it would have had control of Scotch College and the Presbyterian Ladies College. That is a matter of fact.

It could well be argued that the school councils, or their interests, could have taken legal action, but there is no injunction preventing the Presbyterian Church from taking control of the property awarded to it. As the Attorney-General and other interested honorable members would know, in the documents associated with the case that is at present before the courts, all sorts of changes have been made to the previous submissions of each side. It suggests to me that last month there was an opportunity for both sides to see reason. Instead, one side went to the negotiating table armed with the knowledge that it has a friend—the Victorian Cabinet. The negotiations collapsed.

It may be argued that the negotiations had gone on for some time and that the Attorney-General was sick of the discussions and the arguments and all the political points being made in the most unchristian way by some of the participants in the conflict, and he decided that he had to take the side, as he saw it, of the continuing interests of the school as distinct from the Presbyterian interests or the councils' interests.

I was asked what the Labor Party would do if it were in Government. Firstly, it would take the view that this is a matter between the private, competing interests of private citizens. If the Presbyterian Church claims that it owns that property, and that is a matter of some legal dispute, it is a matter for the courts to decide, not the Parliament.

An honorable member suggests that that is exactly what has happened. It must be borne in mind that there is no injunction to stop the Presbyterian Church from proceeding with the appointment of the school council. The Labor Party in government would also endeavour to bring the warring parties together to avoid the schools being ruined forever. Some members of the Labor Party, and I am one of them, believe the schools could be put to some better use than the use to which they have been put in this century. I know that, perhaps, that is a jaundiced view and, because of my ideological speech yesterday, I will not take the House through it again.

The Attorney-General had a number of options and he exercised one of them. He could have done what the Labor Party suggested and stayed out of the fight; he could have appointed school councils, consisting of equal representatives from the school community and from the Presbyterian Church, or from the continuing school council and from the continuing Presbyterian Church, and he could have done his best to find an independent chairman.

The Hon. Haddon Storey—Are you volunteering?

The Hon. W. A. LANDERYOU—I would be prepared, if at this late stage we could avoid traversing an extremely serious principle, to participate in the discussions to find a chairman.

The Hon. P. D. Block—Why do we not take the schools away from both churches and just incorporate them?

The Hon. W. A. LANDERYOU—I should be interested to hear Mr Block put that forward as a submission during the debate. He is indicating the sorts of differences that exist in the party to which he belongs, as they exist in all parties.

The Hon. P. D. Block—I thought your party was always united?

The Hon. W. A. LANDERYOU—On most matters it is, but when it comes to Scotch, I prefer beer.

The Labor Party believes the Attorney-General had the options that I have just outlined but that he decided to take the rights from one of the sides. The honorable gentleman could have left the courts to decide the matter; he could have appointed an equal number of representatives from each side or he could have taken the side of one of the litigants. He has taken the side of the councils.

The Hon. D. E. Kent—The Government must preserve the Cabinet staff college.

The Hon. W. A. LANDERYOU—That is probably one of the precise reasons why the majority of Victorians suffer from poor government.

The Hon. D. N. Saltmarsh—Were not the councils appointed by the Presbyterian Church originally?

The Hon. W. A. LANDERYOU—The point is probably correct but the school councils having been appointed by a Presbyterian Church which controlled and owned the property, it must follow that the owner being the Presbyterian Church, it has, when the terms of office of the school councils expire, the right, and presumably the sole right, to determine who shall comprise the next councils or who should be reappointed to the councils.

The Hon. D. N. Saltmarsh—It was the Presbyterian Church initially, but now the Presbyterian Church has no legal status. That is the question that is being decided in law.

The Hon. W. A. LANDERYOU—This is right, but this Bill provides principally for the control of the schools. I have indicated that the Labor Party does not share its view, but the Government is of a mind to intervene in a dispute that is currently before the courts. It gives as its justification for intervening in what is a private matter that it may be some time before the courts determine a final attitude to this, and that the interests of the schools, the students and the school communities must be protected.

The Hon. P. D. Block—Is not that a reasonable thing to do?

The Hon. W. A. LANDERYOU—Yes. I can understand that, but the Government is asking the House to give it authority, as the Leader of the Government said in his second-reading speech, to appoint the members of the existing school councils. That is what is on. All of the Government's old mates at Scotch College will be reappointed and all of its old mates at Presbyterian Ladies College will be reappointed, and the interests of the owners, the Presbyterian Church, will be written right off. That is precisely what the Bill does. There is no doubt about it. Honorable members can talk with crocodile tears in their eyes about the interests of the schools. I understand the problems that the various warring factions have created amongst the students and staff.

The Hon. P. D. Block—How about cutting the properties down the centre in a Solomon-like decision?

The Hon. W. A. LANDERYOU—That is the complaint of the Presbyterian Church, that it has handed over most of its property, that it was a split down the middle and the church has been given just the two schools. I am not talking about Ken Stone and a mob of lefties from the Trades Hall, but good, solid members of the establishment, and the church that produced the Prime Minister, whom Mr Block idolizes. I do not suggest that Mr Menzies went to Scotch College, but he was a Presbyterian. I have heard him boast of it often. The next Presbyterian who followed the Leader of the Liberal Party at National level—Sir Billy Snedden—was different. Nevertheless, I stand by the point I made by interjection.

Earlier, I mentioned the matter of the award by the property commission in New South Wales of the Scotch College there and the Presbyterian Ladies College in Croydon, New South Wales.

I have mentioned the smooth transition of ownership, administration and governorship of those two schools in Sydney but in Melbourne, as I understand it, the school councils expressed opposition to the Presbyterian Church losing control of them. It is now clear from the representations and submissions that have been put by the councils in the current case that they have no desire to be attached to the Uniting Church.

Although the majority of the old Presbyterian church amalgamated with the Methodists and Congregationalists to form the Uniting Church, a minority of the Presbyterian Church, the continuing Presbyterian Church, continues on with its interpretation of the gospel. The Uniting Church is in the position that the school councils do not accept that church and have no desire to enable it to continue with the governorship of the schools. The Presbyterians are also rejected by the school council.

The property commission, with the consent of the representatives of the Presbyterian Church, imposed the condition that the existing councils of Scotch College and Presbyterian Ladies College remain in office until the conclusion of the General Assembly of the Presbyterian Church in October 1979.

I am advised that this decision was made in the hope and faith that given time and goodwill that Christian fellowship would eventually prevail. However, it is now a matter of record that such fellowship does not prevail. It is also a matter of record that the General Assembly of the Presbyterian Church went further, although the property commission did not require it to do so, and it removed all the existing religious tests associated with the existing members of the councils, as at October 1979, in order that there would be no difficulty in reappointing them after the period covered by the condition imposed by the property commission had expired. It was hoped that they would be able to come to some agreement and the benefits of that decision would be recognized by all.

Of course, the Presbyterians complained that instead of Christian fellowship prevailing one of the principals at least persisted in attacks on the Presbyterian Church. I do not wish to comment one way or another on the specifics associated with litigation.

I must confess that, with the exception of the workers compensation legislation, this Bill has attracted more representations to my office than any other measure. It is extremely difficult for one who has only recently had to apply his mind to the problem to understand the difficulties that have arisen, some of which appear to go back over a generation.

To continue with the Presbyterian General Assembly matter, it was decided in October this year to terminate the services of the members of the councils, or their terms of office. It is a matter of accepted fact by both sides that the school councillors are seeking office. We are now asked in the proposed legislation to reappoint the former members of the school council. Until it is proved otherwise, they have been dismissed by the owners of the schools.

The two schools are controlled by the Presbyterian Church but the Bill seeks to reinstate the members of the councils. The Attorney-General said he would have regard to representations made to him. Perhaps he may want to say that he will consider it 50-50 but if the Leader of the Government and the Government were serious they would put that to the House by way of an amendment to the Bill. That proposition comes not only from those representing the Presbyterian Church but also from a former moderator of the church. I think I am at liberty, in the sense that the author would not object to my doing so, to quote from the letter written by the Moderator of the Uniting Church in Australia, the Rev. J. C. Lavender, dated 30 November, who states:

> I understand that my letter of 22 November 1979, has been widely quoted, and from the reports I have received, it would appear to

have been misinterpreted. The intention of the letter was to reiterate the neutral stand the Uniting Church has adopted towards all decisions of the Property Commission.

That is the Uniting Church Synod. They have a mutual stand in relation to the decision adopted.

In line with this position we wished to make clear that, at present, we do not seek to have official representation on councils of schools which have been awarded to the Presbyterian Church continuing to function after the date of union. We wished also to express the hope that should your Assembly be placed in a position to make appointments, it would make possible the appointment of non-Presbyterians so that these would have the opportunity to continue serving the schools. If we were asked to appoint representatives to serve on any council, we would be happy to respond to any such request.

Our position is not one adopted with specific reference to Scotch College and the Presbyterian Ladies' College; but applied to any school that has been, or could in the future be awarded to the Presbyterian Church.

The letter did not, and could not, address itself to the question of the Church's attitude to the possible incorporation of Scotch College or the Presbyterian Ladies' College or all nine of the former Presbyterian schools. This question is one which has never been considered by our Synod, and it is the Synod only, which could express the mind of the Uniting Church on such a question.

I would be grateful if you would make these matters clear to those with whom the contents of my former letter have been shared.

It is clear from that letter that there is no need for me to refer to the letter of 22 November, other than to read the second paragraph where Mr Lavender wrote to the Clerk of the General Assembly of the Presbyterian Church of Victoria stating:

The Uniting Church's function in relation to the schools and the decision of the Property Commission has been clearly stated and we continue to uphold it, viz. that we accept the Property Commission's decision.

The two owners who were participating in the property commission say they accept the decision of the commission and the report. The Presbyterian Church says it is in a position where it will appoint a school council. In those circumstances, no Parliament should be asked to intervene, but we have the extraordinary situation that those who represent the school councils are objecting to either the Uniting Church or, particularly, the Presbyterian Church taking control of the schools which the Presbyterian Church owns.

Because the Presbyterian Church is objecting to that challenge, the Parliament is now being asked to take the side of the litigants. The Labor Party cannot accept that position. The party is aware of some of the continuing problems and believes the Government had a number of options prior to this day, and certainly prior to October 1979, with respect to bringing sensible people together from both sides to ensure that common sense would prevail. It may well be that the Government can say it regards it as a private matter and should therefore not interfere.

The Parliament is being asked to vote on a measure which, in the view of the Opposition, is and was not necessary and should not be agreed to. The Opposition opposes the Bill for the reasons I have stated. No doubt other speakers from the Opposition will want to add their comments.

The Hon. W. R. BAXTER (North Eastern Province)—It is unfortunate that, despite the agreement between Mr Landeryou and myself on the previous Bill, we now have to part company. If Mr Landeryou wishes I will declare my interest as an old boy of Scotch College, as a former member of the Presbyterian Church and a present member of the Uniting Church of Australia. Mr Landeryou was unfair in some of the comments and aspersions he cast on the Attorney-General as being a friend of the school council and interfering on the side of the council in this case.

To support my argument I will quote from a letter written to me by the Attorney-General on 28 November 1978 when I was endeavouring to persuade him to act on the side of the school council. He stated:

You will understand that I am involved to some extent in what is going on and I would not want to be seen to be taking sides in the dispute.

The Attorney-General has been meticulous in the past eighteen months or so in the endless negotiations he has had

and the frustrations he has faced in endeavouring to bring the two parties together. So far as I can detect, he has not on any occasion taken sides or appeared to have taken sides. Some of the frustrations ceased when agreement was apparently reached, but at subsequent meetings the representatives of the continuing church did an about face and so it is back to square one.

It would be understandable if a Minister became upset and threw his hands in the air and said they could fix it themselves, but the Attorney-General has not done that. He has maintained an even hand. The Bill does nothing but maintain the *status quo* until something is sorted out. It deals with nine schools, not only Scotch College and Presbyterian Ladies College.

They are all in that situation. One might ask, as Mr Landeryou attempted to ask today, why did people not accept the decision of the properties commission in Victoria. He said that most of the property of the Presbyterian Church had been handed over to the Uniting Church—they retained all the property. an unfair deal. Mr Landeryou supports the principle of one vote, one value. He might be interested to know that that did not apply in the division of property from the Presbyterian Church. In a congregation, if as few as one-third of the members were against the union—against the Uniting Church—they retained all the property. For Mr Landeryou to suggest there was an unfair division in favour of the Uniting Church is quite erroneous. I would argue that it was the other way. It was a decision embodied in the Presbyterian Church of Australia Act 1971. If one reads Part III of the Schedule to that Act, one finds that that vote structure gave as few as one-third of the congregation the right to retain the property.

Mr Landeryou also said that the council was trying to take a valuable school property away from the Presbyterian Church; it is something they own and they are denied it. I reject that philosophy and idea. The Presbyterian Church has not contributed $1 to the establishment of the schools. It has loaned the schools money and has charged the schools interest. To say it is owned by the church is a fallacious argument.

I do not deny for one moment that the property commission had a mammoth task before it. I quote from an article in the *Bulletin* of 3 April 1979, that sums up my view rather well.

> The task for the Properties Commission has been formidable. They have met regularly, and weeks of their time has been consumed. Miniature mountains of material have crossed their desk.
>
> The particular decisions made by the commission which have produced the current melange of legal actions, recriminations, slander, and intense lobbying, were to award Scotch College, Melbourne, and PLC Melbourne, to the Continuing Presbyterian Church. It was a decision which, to the councils of the schools, to their old pupils' associations and to the preponderance of Presbyterians who had opted to unite seemed as inexplicable as it was unwise. But it was a decision which handed to the Continuing Presbyterians two of Australia's most prestigious and wealthy educational establishments.

That was an outrageous decision that no one expected or contemplated. It was, as Mr Justice Northrop put to me in a conversation on Tuesday night, a denial of natural justice, and that fairly sums up the situation.

Naturally, the people associated with those two schools in particular, and the other schools, were alarmed and concerned. The enabling Act in 1971 stated that one boys' school was to be held by the continuing church, and one girls' school, out of the nine schools in Victoria. It must be remembered that the great bulk of Presbyterians in Victoria did transfer to the Uniting Church. It seems fantastic to me that the two leading schools, of the nine schools, were then awarded to the minority that remained with the continuing church.

It was only natural for steps to be taken to have that ruling examined, and that is all the litigation is about—to have that matter reconsidered.

It is not as though the people have gone to the courts without putting up some other feasible proposal. It was suggested by Mr Block in an interjection that the whole nine schools ought to be incorporated. I will give an indication

of the degree of support that is available for that concept. A survey was conducted—it was not any backyard survey—by Saulwick Weller and Associates, well known analysts who sometimes conduct political polls of which we all take a great deal of notice. For Scotch College, a questionnaire was sent out to current and future parents, that is people who have their children enrolled at the school for future years, and 2607 old boys who did not come into the other two parents' categories. There were 5093 formal responses, of which 86 per cent voted for incorporation as an independent body, 9·1 per cent voted to go with the continuing church, and 4·5 per cent with the Uniting Church. That was an overwhelming majority in favour of incorporation.

The Hon. P. D. Block—It is a serious matter that the Government should consider.

The Hon. W. R. BAXTER—I agree entirely. A survey was conducted on the Presbyterian Ladies College with similar results, except that the majority was slightly higher in favour of incorporation—90 per cent were in favour of incorporation. Incorporation would be recognizing a situation that has existed at those two schools, and presumably at the other seven schools, for 20 years, where councils have run the schools with virtually no interference from the then Presbyterian Church. As Mr Walker says, "Correctly so", but that would not be the situation now if these schools were given to the continuing church.

It has been made clear by spokesmen for the continuing Presbyterian Church that they would change the course of those schools. Mr Landeryou referred to single-sex education, and by inference he was suggesting that those two schools should become co-educational. He implied that there was something wrong with single-sex education. He was destroying his own argument, because if these two schools go to the continuing church, they will not become co-educational. I am convinced from statements made by the leaders of the continuing church that it is their desire to turn Scotch College and the Presbyterian Ladies College into narrow, inward-looking schools, and that is what none of us would want.

Therefore, the proposal for incorporation ought to be looked at seriously when this litigation is over, and I hope that is soon. I am told there is a possibility of its being over by March, but something ought to be done in the interim. The school councils were appointed by the General Assembly of the Presbyterian Church, correctly and legally. There is some doubt when they formally went out of existence, whether it was the date of incorporation, 27 June 1977, or twelve months later. There is doubt whether the continuing Presbyterian Church has the authority to appoint new councils. In my opinion it does not under the present legislation.

There was also a provocative move on behalf of the continuing church to purport to sack the councils and to say that members of the councils, and the principals, should be held responsible for any actions taken in the interim. It is regrettable that that was said by the representatives of the continuing church. It is an unchristian-like attitude.

The Bill must be looked at simply as a holding operation until the litigation is resolved. Mr Saltmarsh said by way of interjection that there is provision in the Bill for appointment of a commission which will have representatives of both the continuing Presbyterian Church and the Uniting Church, with an independent chairman. There is, therefore, an input from the church in the interim, the appointment of principals, and a change of attitude of the schools which are the three most important things one should think of.

Clause 5 of the Bill provides:

(1) For the purposes of this Act there shall be a Presbyterian Colleges Commission consisting of three persons appointed by the Governor in Council of whom one shall be appointed upon the nomination of the Uniting Church in Australia (Synod of Victoria) and one shall be appointed on the nomination of the Presbyterian Church.

(2) The Commission shall have and may exercise all the powers and functions conferred upon it by or under this Act.

Clause 4 puts restraints on the activities of the council and clause 4 (2) speaks about capital expenditure of more than $50 000. Very little can be done these days for under $50 000. The clause continues:

(*b*) alter or purport to alter the aims and purposes of the school as it was embodied in the constitution of the school immediately prior to 22 June 1977;

It is significant that that not be done in the interim.

(*c*) without the consent of the Commission appoint any person as principal of the school or re-appoint any person as principal for a period exceeding the period of twelve months after the determination of the schools' cases.

The Government is in a difficult situation. No one denies that. This has developed into a bitter brawl, as Mr Hamilton says, among a group in the community, albeit a fairly significant group. It is unfortunate that litigation and legislation is needed to sort it out. The situation should not be allowed to persist of the schools being without school councils. One can imagine what this is doing to the morale of the schools, the potential enrolment of the schools, and the outlook of the students.

I received a letter from a Mrs Pamela Royle, President of the Presbyterian Ladies College Parents' Association, in which she wrote:

Staff morale has been seriously undermined by the knowledge that an appointment made since June 1977 would not necessarily be ratified if and when the college was finally controlled by the continuing Presbyterian Church. Uncertainty as to the tenure of members of staff has had an adverse effect on applications for staff positions at the school, and teachers have also left.

Many parents are currently making alternative arrangements for their daughter's education.

That is perfectly understandable in view of the unease, confusion and bitterness that has been generated. I sincerely hope the House will agree to pass the Bill so that it can be passed in the other House expeditiously, and the councils can be formed as interim councils until the litigation is sorted out. The decision of the court is expected in March or April, but unfortunately that will not end the matter, whatever the result of the judgment. I do not know what will happen from there.

Mr Landeryou talked about compromise, bringing the parties together, and coming up with some workable solutions. I support him in that wholeheartedly. Attempts have been made to do this in the past, but they have failed due to the rigid attitudes held by the negotiating parties—possibly on both sides, but particularly on one. It may be possible in the New Year to come to some compromise. I look forward to that, but in the meantime it is essential that this Bill be passed to give the school councils some legal continuity.

The Hon. E. H. WALKER (Melbourne Province)—I am sorry that somebody on the Government side has not spoken on the Bill. I propose to back up the comments of Mr Landeryou and respond to a few of the points Mr Baxter has made.

I support Mr Landeryou's comment that the Bill should not be before the House. It is difficult to decide, as Mr Hamilton must agree, when a Bill is drafted in this way, whether it is easier to agree or disagree with it because neither of those positions is without a sense of value judgment.

If, for instance, the Labor Party agrees with the Bill, it agrees with a form of intervention in a situation which is slowly resolving itself. If the Labor Party does not agree, as it has chosen to do, it is seen—and clearly Mr Baxter's comments reflect this—that the Labor Party in some fashion has chosen to take up the cause of the continuing Presbyterian Church of Australia. Mr Baxter would agree that that is the sense in which he has seen the position of the Labor Party.

The House is considering a difficult problem. Members could debate for a long time the basis of the Bill, whether it should have been introduced and what position a party or a group should take when it does not wish to be involved in the issue. It is difficult to know what to do. If the Labor Party opposes the Bill, as it is doing, it does so because it wishes it was rid of the

mess. The Bill should not be before the House; it should be resolved by the parties concerned. I am trying to establish a basis for the position the Labor Party is taking.

The Hon. H. M. Hamilton—You are not making a good fist of it.

The Hon. E. H WALKER—I suggest that Mr Hamilton should wait until I have finished. The Bill has been introduced because the Government is being asked to intervene. Every member of the House has been canvassed by people attached to both parties to the argument and there is evidence in the material members have received, and in the telephone calls and the visits they have received, of the exercise of undue influence by people of power and strong connection in the City of Melbourne.

The two schools in question, and I speak more specifically of Scotch College, have an enviable record and background and have produced outstanding people who have served the community well. The Labor Party does not disagree with that. Both Scotch College and the Presbyterian Ladies College have enviable records. It is true that many people who hold positions of power and influence in the community are products of one or other of these schools. Mr Baxter has indicated that he is a product of Scotch College. I was interested to discover, when I inquired, that the legal representatives for both parties to the dispute which is currently before the court are also products of Scotch College. It is interesting that the Attorney-General is a product of the college and, I understand, his two sons currently attend it. Furthermore, the shadow Attorney-General, Mr Cain, in another place, is also a graduate of Scotch College and he, too, has a son at the school.

It is amazing the extent to which this school's influence can be seen within the community, and that is not a bad thing. It is an extraordinary record for a school to have but it does muddy the waters in this case.

There are people who are worried principally, so far as I can tell, that the quality of Scotch College and the Presbyterian Ladies College will be prejudiced if the decision of the property commission is put into effect in the way that the property commission intended. That is an interesting factor but it should not be the basis of the debate today. I am sorry that Mr Baxter made it the basis of the debate, because in a sense, he was challenging the rights of the property commission to make the decisions that it did. Mr Baxter talked about voting systems which seemed unfair and, in a way, he was addressing himself to what might be called "past grievances". It is easier for the Labor Party to make a decision. The words of the Bill are quite clear. The preamble to the Bill states, *inter alia*:

> And whereas it is expedient to make interim provision for the management and control of those schools pending the determination of the proceedings in the cases . . .

The preamble then mentions the court cases concerned. The wording of the preamble is very clear; it says, "expedient to make interim provision". If the House is to make interim provision for the management and control of certain schools, it is important to consider what forms of interim provision are available.

The Attorney-General, in drafting the Bill—I imagine he drafted the Bill, although the Minister of Education introduced it—indicated that a decision has been made by the Government, in the words of Mr Baxter, "to maintain the *status quo*". That is an interesting concept. The *status quo* is not being maintained in regard to other properties within this division of property and it is amazing that what is regarded as a real claim from the school council on the one hand and from the Presbyterian Church on the other, should be reflected in a decision that the council itself be maintained in its entirety. I stand to be corrected, but the school council, as constituted prior to 1977, had no member of the continuing Presbyterian Church of Australia. That is a true and correct statement.

It is amazing that the Government should introduce a Bill which, it suggests, maintains the *status quo* and is thereby fair. Under the provisions of the Bill, the governing body might exist for some time, because the measure

does not specify when that governing body shall cease to exist; it suggests that it does so as soon as is practicable after the final determination of the "schools case", but that could be years ahead. It is amazing that the Government should suggest that it is fair to maintain a body that represents one party to the dispute.

There must be other methods that the Government could have considered to indicate a fairness of administartion during the interim period. After all, the House is discussing how to administer the schools in the interim period while the courts are making their decision.

The Hon. W. R. Baxter—The Bill gives the Minister the right.

The Hon. E. H. WALKER—I agree that the Bill gives the Minister the right, but that is a normal provision in many of these situations. The Bill vests the powers for the interim period in the council that existed prior to June 1977. That is where the real power lies.

The inescapable conclusion that one must arrive at is that in some sense an emotional attachment to the school, its past and its successes have tended to overpower the rational or objective thinking of the Government which is responsible for framing the legislation. I have come to that conclusion because it is uncharacteristically unfair of the work of people such as the Attorney-General.

I suspect that the Attorney-General, without meaning or wanting to be involved, has been involved. Over a period, he has been dragged into the dispute and has found it most difficult to know what advice to give. However, the Government, through the former Minister for Local Government, Mr Hunt, saw fit in two cases in the western suburbs to sack two municipal councils which were replaced for an interim period by an administrator. It is an interesting situation that large municipalities, such as Sunshine and Keilor, which have a lot of money and grave responsibilities, were governed by a one man administrator as an interim measure by the Government.

The Hon. P. D. Block—It is not analogous.

The Hon. E. H. WALKER—The Bill states, *inter alia*:

> and whereas it is expedient to make interim provision for the management and control of those schools . . .

It is quite possible that that sort of idea could have been put into effect.

Mr Landeryou suggested another possibility. He referred to the prospect of creating an interim council comprising at least six members of one of the bodies, six of the other, and an independent chairman. It is not beyond the wit or imagination of the Government, through its Attorney-General, to have found a way of managing these schools for an interim period rather than making an incendiary move, because that will upset the people who at least nominally believe, at the moment, that they own both properties. Of course, it will upset the parties concerned because they believe it to be grossly unfair. In this instance, the Attorney-General has lost his usual good judgment.

The Hon. D. N. Saltmarsh—The Presbyterian Church appointed the council anyway.

The Hon. E. H. WALKER—That was done years ago by the Presbyterian Church before union took place. I do not know whether Mr Saltmarsh is trying to say that the situation which prevailed prior to union, or which could now prevail, is wrong. The idea of maintaining the *status quo* does not make sense when real change is occuring within two church structures. The letter from Mr Lavender, the Moderator of the Uniting Church, indicated a fair approach.

The Government has been most unimaginative in its approach to what the Labor Party is seeking, namely, a reasonable interim management structure for two schools. The Attorney-General has been over-influenced by the emotional content that he finds around him among the people with whom he has been dealing.

The Hon. Haddon Storey—I am curious to know why you assume that any connection with the school would put off one side rather than the other?

The Hon. E. H. WALKER—That is clear, because if one examined the minutes of recent meetings of the Scotch College school council, one would discover that it adopts a clear position in regard to the school as against the claims of the body that now purports to own the property. In other words, the governing body of the school has taken a clear-cut position on its own behalf, but it is only one of the parties to the dispute.

Surely the body that believes it owns the schools has as much right to decide for itself how the school should be managed. In that sense, it is regrettable that moneys that the school has, which are school moneys, have been used to pay some of the legal costs in this instance. Until the courts settle the property issue, the moneys of the school should not be used on behalf of one of the parties to the dispute. That should never have occurred.

The members of the council have become a little unbalanced in their judgment concerning their rights or what they should be doing. They want an end result. The courts will make a decision. In the interim, a form of management is needed which will do as little harm as possible to the schools concerned. I am not saying that the councils, as they existed prior to 1977, should be retained. That is a most incendiary measure which will cause tremendous upset on one side of the argument.

Surely it would have been possible to find a fairer system. There is a difficulty.

The Hon. P. D. Block—Why disrupt the schools?

The Hon. E. H. WALKER—I will address myself to that question. Who caused this difficulty? I and my Leader have said that there should not even be debate on this issue. Mr Baxter tends to believe the property commission has forced the difficulty by the way in which it has made its choice. I happen to believe the difficulty is before honorable members now because the council of the school, and I suppose the old boys' association, do not like the decision that was made and have fought manfully to reverse it. They have done everything possible. They are clever, well connected, wealthy people with a lot of power. They have taken interesting legal action to stay that decision. The difficulty is before honorable members because those people did not accept the decision of the property commission. In a sense they did not want to accept the umpire's decision in that case. In another sense they accepted the umpire's decision.

Mr. Baxter made the point that on first hearing of it the objection that those two fine, large schools have to the continuing church seemed odd. I did not understand how many Presbyterian schools there are. When I discovered that there are nine, it did not seem so strange, and when I examined the terms of reference it made some sense. The continuing church made what I considered were reasonable requests. It said that since there would be only one school of each kind, those schools should be reasonably central, because Presbyterians will come from all over Victoria. They wanted schools with a continuing component, one boys' school and one girls' school.

It is correct to say that while this action was under way and even prior to 1971, other Presbyterian schools were incorporating and becoming co-educational. St Leonard's College in Brighton decided to become co-educational. In 1970 it was a girls' school and has successfully changed to a co-educational school. In that way the school fell outside the terms of reference of the property commission. The decision was made; it could be only Scotch College and Presbyterian Ladies College. We are trying to say what is a reasonable situation while the courts decide some interesting legal matters. The Labor Party is saying that the Government has made a bad choice in its suggested management system. Members of the Labor Party believe that the Government has taken

sides in a dispute in which it should not be involved. I have indicated that in my opinion there are other methods by which the interim administration can occur.

I will answer a few of the points made by Mr Baxter. He said that the Attorney-General has been fair, and in my experience the Attorney-General is usually fair. I have made the comment that in this instance I believe he is in fact involved to such a degree that it is difficult for him to be fair, and I presume he prepared the Bill. Mr Baxter referred to the fact that the survey shows that 86 per cent of the constituency of Scotch College wanted incorporation—9 per cent with the Presbyterian Church and 5 per cent with the Uniting Church. It is interesting in those percentages that the church with the highest percentage is the Presbyterian Church. In my opinion the result that was quoted to honorable members is not germane to the argument because it is part of what is currently being undertaken in the courts. Issues of that type may have to be debated later. Honorable members are presently looking at an interim form of government; therefore, that result is not germane.

The Hon. W. R. Baxter—No, but it was an answer to Mr Landeryou's comments and pointing out that there was alternative Federal litigation.

The Hon. E. H. WALKER—Perhaps that is so. Since honorable members have been reading letters I refer to a letter I have received today which impressed me, because it comes from a firm of solicitors who are acting on the behalf of the continuing church. I simply make the point that I have to accept this as a genuine letter from Messrs McCracken and McCracken, solicitors. I want to read the second last paragraph of the letter because it is important. The letter generally suggests that many unfair claims have been made against the continuing church. Mr Baxter made similar claims. The letter is dated 4 December 1979 and claims that the continuing church of course does have a strong interest in education, that it proposes no changes in the constitutions of the schools as they were at the date of union.

More importantly, the second last paragraph states:

> The Presbyterian Church of Victoria asked the Councils of the two schools to circulate to parents and to staff a statement prepared by the Church—

meaning the Presbyterian Church—

> and to do so without note or comment. This request was refused. Now capital is being made out of the alleged silence of the church in relation to these matters.

That seems a fair claim if in fact the school was unwilling to distribute a reasonable statement by the Presbyterian Church, a body which believes it owns the property. The councils of the schools stand condemned of being unfair in their treatment of the issue.

The Hon. W. R. Baxter—The facts stated in that letter are not quite right.

The Hon. E. H. WALKER—That may be so. Mr Baxter also talked about the fact that the Bill is a holding operation. I agree with that. I worry that it will continue for a long time, but I worry more specifically about its composition. Mr Baxter said, "Imagine what effect this is having on morale." I agree that it is probably having a bad effect. Arguments generally have a bad effect on morale and schools of this sort depend on good morale. It appears that the council has been as guilty of spreading a kind of emotional propaganda in this regard as has the Presbyterian Church.

Morale, of course, will be low, but that should not be an issue in this debate. Honorable members are simply debating an interim form of Government. I wish the problem had not arisen but it has, and I simply ask that the Government examine the forms of interim government which in my view would work better than this proposal, because it will be incendiary. For those reasons, members of the Labor Party oppose the Bill.

The Hon. GLYN JENKINS (Geelong Province)—I suppose honorable members have to declare an interest and I do have an indirect interest. I am a product of the Red Cliffs East State

School, Condamine State School, Queensland, and the Toowoomba High School. Both my children attended Presbyterian schools. I do not think I have been unduly influenced, either by them or by the schools they have attended. I sincerely appreciate the views put forward by Mr Landeryou and Mr Walker. I assure them that those points of view were seriously considered by the Government and must be taken into account. However, the two honorable members should realize that at present the situation is insoluble. On at least one or two occasions Mr Walker claimed that there were other solutions but he either did not spell them out or he did not accept what would be the result of the solutions he proposed.

Mr Walker and Mr Landeryou made certain remarks about the Attorney-General. I congratulate the Attorney-General for grasping the nettle in this case. As Mr Baxter indicated, the Attorney-General has been concerned about the matter for twelve months or more. He is a reasonable man and has had considerable experience in the law. I do not expect that he has been influenced in one way or the other by his formal association with one of the schools, or by the fact that his relatives attended the schools, or that representations have been made to him by that particular school. I believe the Attorney-General has genuinely been able to isolate himself from the various points of view and has been genuinely trying to find a workable solution out of the present impasse.

The other interesting aspect is that the whole concept of union arises from genuine Christian people wishing to get together in the one Christian church. However, the reality of it, to use Mr Landeryou's favourite word, is that all the churches were seeking an economic and administrative method of keeping their churches going, if possible. I suppose all of those churches would have desired to continue as they were if that had been possible. I believe the majority would have preferred that. However, the problem is that without the earlier Bill that was passed today, there would not have been a legal successor to the Presbyterian Church. That fact has not really been accepted by the Opposition, but there are considerable doubts on the validity of acts done and contracts entered into by at least seven of the school councils. Mr Walker proposed an alternative. He conveniently forgot to refer to clause 7 which validates the acts of the current school councils.

The other aspect is that this litigation may continue for a long time. If there are appeals it could ultimately finish up in the Privy Council, and these appeals could continue for months or a year to two.

Another important matter has not been adverted to in the debate. Considerable funds are being made available by the Government to these schools. That cannot continue if the validity of acts done and contracts entered into by the present school council may be invalid. I believe the Government has accepted the situation and has reluctantly come forward with the Bill, but it desperately sought the best possible solution in the circumstances. All the aspects in this case cannot be ignored. For that reason it must be accepted that the present position is insoluble.

The Hon. E. H. Walker—Schools can close.

The Hon. GLYN JENKINS—Some indication of the depth of feeling on this subject is that there would be people on both sides who would be prepared to let the schools close and a situation of chaos develop in pursuance of their beliefs. The Government cannot contemplate or agree with that. I commend the Attorney-General for grasping the nettle and introducing this Bill. I believe Parliament should genuinely accept the proposed legislation as the only practical way of holding the current situation until the litigation is resolved, the position of the school councils is assured, and these matters are properly resolved.

The Hon. V. T. HAUSER (Nunawading Province)—Like Mr Jenkins, I must declare my interest. I am an old pupil

of Northcote High School and Bendigo High School, but both my sons attend Scotch College at present and are in forms IV and V.

Forms IV and V are two of the most important years at school and it is unfortunate for the students in those forms at Scotch College that this state of affairs exists and these changes are occurring. What honorable members should be concerned about is not the Uniting Church, not the Presbyterian Church, not the council of Scotch College, but the fact that not a word, or very little, has been said about the fate of the children currently attending this school.

I do not necessarily agree with them, but many parents of students at Scotch College, whether rightly or wrongly, are worried about the situation at the school at present. I am not as worried as are the majority of the parents, but I believe the best and fairest way of achieving a holding, stable situation for the advantage of the children is for the existing council to be confirmed in office for a short time until the legal proceedings have been decided. After all, the Bill contains a sunset provision in clause 8, which sets a short-term limitation on the effects of the Bill. As I said, those about whom we should be concerned in our discussions are the children currently attending the school.

The motion was agreed to.

The Bill was read a second time and committed.

Clause 1 was agreed to.

Clause 2 (Interpretations)

The Hon. A. J. HUNT (Minister of Education)—I will arrange for the remarks of honorable members to be examined before the Bill proceeds in another place.

The Committee divided on the clause (the Hon. V. T. Hauser in the chair).

Ayes	24
Noes	12
Majority for the clause	12

The Hon. V. T. Hauser

AYES

Mr Baxter	Mr Knowles
Mr Bubb	Mr Lawson
Mr Crozier	Mr Long
Mr Dunn	Mr Radford
Mr Evans	Mr Reid
Dr Foley	Mr Saltmarsh
Mr Granter	Mr Storey
Mr Guest	Mr Taylor
Mr Hamilton	Mr Ward
Mr Hayward	
Dr Howard	*Tellers:*
Mr Hunt	Mrs Baylor
Mr Jenkins	Mr Block

NOES

Mr Butler	Mr Walker
Mr Kent	Mr Walton
Mr Landeryou	Mr White
Mr Mackenzie	
Mr Sgro	*Tellers:*
Mr Thomas	Mr Eddy
Mr Trayling	Mr Kennedy

Clause 3 (Interim councils to be appointed as governing bodies of schools)

The Hon. E. H. WALKER (Melbourne Province)—The comments made by Mr Jenkins reminded me that I wish to say a number of further things about the composition of the school councils. Mr Jenkins said that significant proportions of public funds are now being used in the recurrent and capital funding of schools of this kind, and that statement is correct. The comment I wished to make in my second-reading speech and shall make now is that, if we are being honest about conservative government, that would not even work out at 50–50 between the two warring parties.

Since the set subsidy for private schools in Victoria has now been raised to something like 25 per cent of the average figure for a Government school, and in past years the Federal Government, through the Australian Schools Commission, provided a good deal more than half the funds for additional classrooms, particularly libraries and science rooms, one could say that a reasonable reflection of the interest of the community in a school like this could mean that up to 30 per cent or 40 per cent of the council—whether it consists of 10 persons or 25 persons as provided for in this clause—might be elected to sit on a council such as that of Scotch College. If the council consisted of 13 members, 3 of whom were publicly

elected and 5 of whom came from the parties who are currently claiming control of the school, it would be a well-balanced council. That would reflect the fact that the public has an interest in Scotch College.

That is not related just to whether the continuing church is going to win out over the council; it is what will happen to the school that is important to the community.

The motion would have been dampened if intelligent and, in a sense, non-aligned people elected from the community at large were part of the council in its decision-making process. That is another way in which the council could have been considered. It could have something to do with the equity that different parts of the community have in this school.

We are not here to solve the problem; the Opposition does not believe clause 3 is good because it might have allowed for a council which was better proportioned with some public representation, some from the continuing church and some of the present council. I think that would have worked better.

The Hon. A. J. HUNT (Minister of Education)—If the Bill were incorporating the schools on a long-term basis, of course careful consideration would need to be given to the structure of the councils. What this Bill does, however, is to incorporate the councils on a temporary basis pending the result of the litigation and, as indicated in the second-reading speech, on a basis that preserves the *status quo*. To adopt a major change in the structure of the council at this stage would not be preserving the *status quo* pending completion of the litigation but would be substantially changing it, so if a case is ever put to the Government for incorporation of the schools on a permanent basis, consideration would certainly be given to the suggestion.

The Hon. W. A. LANDERYOU (Doutta Galla Province)—It seems to me with respect to the representation of the interim council that the judge had that prerogative when the case was put to him. If the case were as urgent as the Minister has suggested it is or if the Bill is of an interim nature, as he said, that option could have been exercised by the judge if the argument had been put to him or if he had been of the mind to accept the sort of argument that the Minister has put to the House.

Clearly, if that is to be the attitude of the Government, the Bill is nothing more than a naked attempt to preserve the powers of the school council beyond that which was originally agreed to by the owners of the property and the school.

The Bill is excluding them for a period of time over which Parliament will have no control. Therefore, the Committee should insist on the Government ensuring at least fair representation on the school council on an interim basis—whether five years can be dismissed as interim is a matter of judgment. But if the school council is to be appointed for the duration of the court case, as clause 3 gives the Governor in Council the power to do, apparently the Governor in Council will appoint people on the basis of their previous association of the school council, not in accordance with the wishes of the people who are running the church.

It seems to me that the Government has an opportunity, in a last minute act of grace, to indicate to both factions that it takes no sides and it will make sure in the appointment of the school council that there will be representation from both sides.

The Hon. J. V. C. GUEST (Monash Province)—I am sorry that the Opposition has treated this principally as a matter of protecting the rights of private property. In my view it much more significantly concerns the carrying out of the purposes of a charitable trust—in this case a charitable trust with educational objectives. It is significant, too, as a measure for the continued management of a great educational organization which will be for the good and the sound upbringing of children and for the satisfaction of the parents who require this upbringing for their children.

What the Government is doing is simply adopting an efficient way of doing what the courts, given the opportunity, could and would do. The Government is undertaking what the courts could perform if it were not for the current litigation, by making an interim order. It is a traditional function of the courts to deal with the interim disposition of property—it is true that this is one aspect of this matter —and to give directions both interim and final for the performance of a charitable trust, and, in the case of a charitable trust which is an educational trust, to make orders, where necessary, for the interim management of schools.

The only practical way to achieve the observance of principles enshrined in the law relating to any of those matters over hundreds of years is to preserve the *status quo* and the *status quo* involves preserving the principles upon which this organization is run and the principles which the parents sought when they sent their children to the schools, and which they contracted for when entering into a contract between themselves and the schools.

It would be wrong and inefficient to put the schools in a position where they are managed by people not devoted to continuity with the past for the duration of the litigation and who might find themselves with irreconcilable differences because of some highly theoretical notion of their equal rights as two opposing sides in a property dispute. To treat a school council as though it were a receiver and manager appointed to a company with a committee of creditors representing opposed factions invites wrangling and arguing about matters which have little to do with the real objectives of those schools.

It would be quite unfair to the children and parents and would not preserve the purpose for which the schools have existed for a great number of years.

As an interim measure this is a proper and efficient course for dealing with what is, as I have said, not primarily a property dispute as the Opposition has characterized it by its arguments, but a dispute concerning the management of a charitable trust and a great educational organization.

The Hon. D. E. KENT (Chelsea Province)—This is a subject which causes me anger to a larger degree than any other topic. I emphasize what should be or is supposed to be a vital point in our society, that is, that there should be a separation of church and State. In this instance the Government is intervening in what is ostensibly a property argument between two church groups or organizations. Of course, it is improper to intervene in an argument about property which unfortunately is a subject which seems to cause more contention in church circles than arguments about faith and doctrine.

I have a vested interest, certainly not for the maintenance of private schools, but for the maintenance of the Christian religion. The maintenance of the *status quo* is entirely undesirable because those institutions have never been concerned with the propagation of the Christian faith. They have been concerned with the maintenance of status and, as I suggested yesterday, the maintenance of the establishment to maintain and preserve power.

It is interesting to note that the parents' association by a healthy majority has indicated that its concern is not that representatives of the Presbyterian Church or the Uniting Church should be members of that council, but that an independent corporate body should be elected.

What they are attempting is to maintain the use of the property which ostensibly belongs to the church. They seek to maintain the use of that property for the maintenance of its own particular form of education which unfortunately has been heavily supported by the Government.

I know that I differ from the views expressed by some of my colleagues, but in this case, if there cannot be agreement about the property or who

shall control the school council, I should be happy to see the schools disintegrated because that would be an indication of the real value of the existence of these schools.

The Hon. W. R. BAXTER (North Eastern Province)—Some of the remarks made by Mr Kent were so despicable and wide of the mark that they are not worthy of a reply and I do not intend to do so.

I support the Minister of Education in his reply to Mr Landeryou on the constitution of the school council on an interim basis. As the Minister suggests, it would be an immense change if the Committee adopted the suggestions put forward by the Leader of the Opposition.

I am a little surprised and a bit disappointed that on clause 2 the Minister did not respond to the debate as is customary, although he may have chosen not to do so for a good reason —I do not know.

In talking about the constitution of the school council, I refer to a matter raised by Mr Walker, namely, the expenditure by the school council of school funds on litigation. I want to place on record that is not the case with Scotch College. The litigation is being funded by the Old Scotch Collegians Association.

The Hon. E. H. Walker—I understand that, but I believe some mention was made of other funds.

The Hon. W. R. BAXTER—The money is being raised by a direct appeal to old boys and friends of the school. In the case of Presbyterian Ladies College some funds have been expended by the school council. The solicitors for the continuing church took that up, I understand, with the Attorney-General and the Government. The Attorney-General wrote to the school council and sought details some eight to ten months ago. Those details were supplied along with the reasons and the basis for expending the money. Nothing more has been done about that matter and it is a reasonable inference to draw that there is nothing untoward about that.

I have heard people referring to it as a misappropriation. I am not suggesting that Mr Walker used that term, but that term has been used. I suggest the school council is able to expend moneys contributed by parents for the running of the school.

Another point I want to raise relates to the letter which Mr Walker mentioned from McCracken and McCracken. It is fair to say that unfair statements have been made by various people about members of the continuing church. That is in fact true, but the reverse is also true—there have been some very misleading statements made by the continuing people. It is a case of the pot calling the kettle black.

The other point I want to raise relates to the refusal by the school council to circulate the case put forward by the continuing church. The fact of the matter is that prior to the survey being carried out, the school council did invite the moderators of both churches to supply statements for incorporation with the survey form. Mrs Mitchell, the then Moderator of the Uniting Church, declined for good reasons. She said it was not an argument involving the Uniting Church. Unfortunately, the Moderator of the Presbyterian Church took a long time to reply and when he did he said he wanted to see what the school council was saying in its letter. The president of the old boys within 3 hours of receiving that letter at an address in western Victoria, I believe Port Fairy, had the full details delivered to him, but still no statement was forthcoming from the Presbyterian Church for inclusion in the survey form. The points made in the letter from McCracken and McCracken were not quite as Mr Walker indicated.

The clause was agreed to.

Clause 4 (Interim Councils)

The Hon. E. H. WALKER (Melbourne Province)—This is an important clause which makes reference to clause 5, but as I wish to speak on the provisions of clause 4, I therefore have to

mention that under clause 5 a Presbyterian Colleges Commission consisting of three persons is mentioned.

I refer to the provisions of clause 4 because they are, to say the least, Draconian. In fact, Mr Baxter read them to honorable members a little while ago, but I do not think he understood the significance of them. For instance, clause 4 (2) (c), allows that without the consent of the commission, the school council may appoint any person as principal of the school or reappoint any person as principal for a period exceeding the period of twelve months after the determination of the schools' cases. In other words, year by year a reappointment can be made while the interim situation holds. I stand to be corrected, but as I read the provision a principal can be appointed on a twelve-month basis until such time as a more permanent situation prevails.

If this situation holds for, say, five to six years while court appeals are being heard, that is an untenable situation for the two schools. However, it is not just two schools; it is all the schools. As I understand it, and the Attorney-General can correct me if I am wrong, the provision applies to all the schools named in the Bill. It seems to be extraordinary that the clause is not limited to the argument between the two schools. It is a poor provision.

I also refer to the provision relating to permanent capital works, where the interim school council shall not without the consent of the commission enter into any contract for permanent capital works involving an expenditure in excess of $50 000. It should be remembered that it is quite easy to make up a significant building project with many contracts each totalling $50 000. As an architect I have on a number of occasions been asked to make up a significant building project which would not exceed an amount established by an Act. It is easy to construct a building worth $500 000 by letting ten or more contracts each worth $50 000, but the provision seems to suggest that not a large amount of money will be spent. I do not believe that is a serious amount and if that is the case, then there are many people in the community who could work their way around that provision without any trouble.

A further provision is that the interim school council shall not alter or purport to alter the aims and purposes of the school. How is the Government to determine that? Is it to be the Westminster Confession? I do not understand the purport of that provision and it will be very hard to prove whether the aims and purposes of the school have been altered. The three provisions leave much to be desired and perhaps the Attorney-General, who is alleged to have written these provisions, could explain their meaning to honorable members.

The Bill put these limitations not only on the interim councils of the two schools but also on all of the Presbyterian schools. The representation on the commission is to consist of three persons appointed by the Governor in Council, one from the Presbyterian Church, one from the Uniting Church and one other person. Those three people are to determine, by acting as a tribunal, whether amounts in excess of $50 000 are being expended or whether the aims and purposes of the schools are being altered. Not only that, the interim school councils have to receive consent from the commission for the appointment and reappointment of school principals every twelve months. I submit that this is an extraordinary situation in which to place these schools.

It seems to me because one of the two school councils will not be in that position the Parliament is considering a Bill containing amazing provisions. The provisions could go on for goodness knows how long—perhaps even a decade.

The Hon. B. P. Dunn—Do you have an alternative wording to suggest?

The Hon. E. H. WALKER—I have made my alternatives known as I went. It seems to me that the Bill is now getting deeper into a labrynth of regulation when it is dealing only with an

interim situation. The Opposition does not believe the measure should be here in the first place.

If Parliament is going to intervene in the situation involving the two schools and, indeed, the other seven, it might as well go the whole way and appoint, say, Mr Hayward and Mr Mackenzie, to go out and administer all the schools. If it is going to become involved, it might as well become completely involved.

The provisions of clause 4 are unworkable. They will not do what they purport to do. They apply to all nine schools and the principals of all Presbyterian schools, so long as the Bill is in force, will be on notice. If that is not over-kill in an interim situation, I do not know what is.

The Hon. A. J. HUNT (Minister of Education)—Mr Walker has alleged over-kill. He said that sub-clause (*a*) is ineffective, and sub-clause (*b*) has no meaning, which would mean that only sub-clause (*c*) is left with any effect. That sub-clause relates to the appointment of principals. The effect of the sub-clause will be that the term of appointment of any present principal still stands, whether he has been appointed for six years or for ten years or for any other length of time. It means that if any of the nine schools wish to appoint a new principal for, say, a seven-year term, the school that wishes to do so must gain the consent of the commission.

In respect of the seven schools relating to which there is no dispute, I cannot imagine any disagreement by the commission. It is obvious that the commission would approve the appointment of a principal at one of those schools. In respect of the two schools that are the subject of dispute, quite clearly it would be wrong, if the schools are in a holding position, for the existing school councils to be able to appoint principals for five or seven years when the result of the litigation may well be that the continuing church is confirmed as the owner of the schools and might want to appoint completely different principals. So, in essence, the provision maintains the position pending the result of the litigation and any renewals will, unless the commission gives its consent, be for a limited period.

So far as the aims and purposes of the schools are concerned, I point out that every independent school has a constitution. The constitutions of the schools set out their aims and objectives. It is the constitutions to which sub-clause (*b*) refers. So, Mr Walker is erroneous in suggesting that the sub-clause has no meaning.

With respect to capital expenditure, it is fair to say that a school council confirmed by the Bill could undertake capital expenditure of a nature that might not be approved by one or other of the parties to the litigation. That should not be permitted in any major degree during the interim period without some approval from outside the schools. A figure of $50 000 has been selected, not because of any magical quality but because it will accommodate small projects, maintenance and the like, but not large projects. If a large project is desired, the consent of the commission must be obtained. That is fair enough and it will protect the *status quo* during the interim period.

If the commission agrees, that, of course, is a matter for it, and no doubt it would do so if it were clearly in the interests of the school, regardless of the results of the litigation. I do not share Mr Walker's view that the councils of the schools or any of those involved are corrupt.

The Hon. E. H. Walker—I take exception to that.

The Hon. A. J. HUNT—I withdraw the word. I was not intending to suggest that the honorable member used that word. The implication of suggesting that they would divide their projects into smaller projects of $50 000 is an implication that they would deliberately set out to evade the purpose of the measure and to do as they saw fit without restraint. I do not believe the councils of the schools are

likely to act in that way, even if Mr Walker's clients have done so in the past.

The Hon. GLYN JENKINS (Geelong Province)—I again emphasize the fact that the Opposition is tending to over-simplify the complexities of the matter. Mr Walker made the bland statement that the nine schools councils would be affected by the measure.

The Hon. E. H. Walker—Is that not true?

The Hon. GLYN JENKINS—It may not be true and I shall quote from a memorandum I received from the Morongo Presbyterian Girls College in Geelong. The memorandum states:

> The constitution provides that three powers of the school council are subject to confirmation by the General Assembly of the Presbyterian Church of Victoria, those powers being the appointment of council members, the appointment of the Principal, and the amendment of the constitution.

It continues:

> The only reason for Morongo's willingness to be included in the Bill is that the validity of the appointment of its present council is in doubt since the legal advice received by the school states that the General Assembly referred to in its constitution has had no legal standing since the entry of the Presbyterian Church into union.

That is the problem that will be highlighted in clause 7, the validity of the appointment of the present councils. The Opposition has tended to overlook that. The memorandum continues:

> Because of Morongo's autonomy, it has not been under the same restrictions as other former Presbyterian schools. For example, it has not had to seek approval for substantial capital expenditures. If Morongo were to seek the appointment of an interim council by the Government in Council pursuant to the Commission set up under the Act to undertake such capital expenditure, it would prefer not to be subject to this restriction.

It may well be that Morongo may not desire to be under the control of the Presbyterian Colleges Commission and may not seek the appointment of an interim council. That might also apply to other schools. I have not made inquiries. Mr Walker's statements are over-simplifications. Every case is completely different and must be examined on its merits.

The clause was agreed to.

Clause 5 (Presbyterian Colleges Commission)

The Hon. E. H. WALKER (Melbourne Province)—This commission will consist of three persons who will have important responsibilities. Having come through this extraordinary management structure to solve difficult questions, the three-man commission will be appointed in a fair fashion and will consist of one representative of the Uniting Church in Australia, one representative of the Presbyterian Church and one other. They will have to sit in judgment on the difficult issues. I cannot imagine why this formula was not applied while the court case was in train. It would have been simple if clause 5 had constituted the entire content of the Bill. A three-person commission would then be managing the *status quo* in the schools.

So long as there is a teaching staff, a principal and students at the schools, maintenance of the *status quo* of both schools is valid when talking about continuing their operations, but it is not nearly so valid when talking about a challenged council. If the idea behind clause 5 is that the wisdom of three well-chosen people is to be the referral point for difficult questions, it is a pity that those three could not have done the job without the reinstalling of a council. This situation will cause the schools a great deal more trouble than it is worth. I believe clause 5 could have been the substance of the Bill to provide for the interim management situation and the rest is not necessary.

The clause was agreed to, as was clause 6.

Clause 7 (Transitional provisions)

The Hon. E. H. WALKER (Melbourne Province)—Clause 7 is the essence of the Opposition's complaint because it is in clause 7 that the real guts of the Bill appears. For all the high-sounding jobs that the interim management is to perform, it is in this clause that the words:

> . . . those persons who were members of the governing body of a school immediately before 22 June 1977 shall be deemed to have continued

to be lawfully appointed members of that governing body

It is a validating clause and it is the essence of the Bill. It is a way out of a kind that will cause more trouble than the Government understands and it will simply reinforce the establishment position of the school council. It is this part of the Bill that holds at arm's length the group of people who believe they have a claim to the ownership of the property and that they have been given no consideration in the Bill.

I take real exception to the clause because, having set up the prospect of interim control, even if it is complicated, one could have accepted it if clause 7 had provided for a body that was in any way fair. In my view, the body contemplated by the clause will cause difficulties.

The clause was agreed to.

Clause 8 (Sunset provision)

The Hon. E. H. WALKER (Melbourne Province)—This is a difficult clause, simply because it allows for the situation to go on, and if clever legal people are involved the clause will allow it to go on forever. It provides.

This Act shall remain in force until a day to be fixed by proclamation of the Governor in Council

The Governor in Council is fairly well controlled by the Government at this stage:

published in the *Government Gazette* which shall be a day that is soon as is practicable

It is almost like the debate on workers compensation because we are dealing with the meaning of a word. It may never be practicable—

after the final determination of the schools cases and no longer.

It could be a decade. It is likely to go on for a long time because, given the people involved, there will be challenges and appeals. Even beyond that, the clause allows the matter to rest in the hands of the Governor in Council—which of course means it is in the hands of the Government—to determine when it will be practicable for the application of the measure to cease. It may never be practicable.

It seems that those people who appear to me to have had a great deal of power, as they are used to having, have influenced the Government to do what they want it to do. I am sorry for the Attorney-General, who has allowed that to occur. It is completely wrong. The way in which the clause is worded means the matter can be controlled by the Government of the day. It may never be practicable to end the situation that is now being put into effect.

It is a poorly written provision. The Bill is no good.

The Hon. A. J. HUNT (Minister of Education)—The clause means precisely what it says; that is, the Governor in Council must bring the legislation to an end as soon as practicable after completion of the litigation. The Government hopes it is administered that way.

The clause was agreed to.

The preamble was verbally amended, and, as amended, was adopted.

The Bill was reported to the House with amendments.

The Hon. A. J. HUNT (Minister of Education)—I move:

That the report be now adopted.

The House divided on the motion (the Hon. W. M. Campbell in the chair).

Ayes	24
Noes	12
Majority for the motion	12

AYES

Mr Baxter	Mr Jenkins
Mrs Baylor	Mr Knowles
Mr Block	Mr Lawson
Mr Bubb	Mr Long
Mr Crozier	Mr Radford
Mr Dunn	Mr Reid
Dr Foley	Mr Saltmarsh
Mr Granter	Mr Storey
Mr Guest	Mr Ward
Mr Hamilton	
Mr Hauser	*Tellers:*
Dr Howard	Mr Evans
Mr Hunt	Mr Taylor

NOES

Mr Kennedy	Mr Walker
Mr Kent	Mr Walton
Mr Landeryou	Mr White
Mr Mackenzie	
Mr Sgro	*Tellers:*
Mr Thomas	Mr Butler
Mr Trayling	Mr Eddy

PAIR

Mr Houghton	Mrs Coxsedge

The Hon. A. J. HUNT (Minister of Education)—I move:

That this Bill be now read a third time.

The House divided on the motion (the Hon. W. M. Campbell in the chair).

Ayes	24
Noes	12
Majority for the motion ..	12

AYES

Mr Baxter	Mr Hunt
Mrs Baylor	Mr Jenkins
Mr Block	Mr Knowles
Mr Bubb	Mr Lawson
Mr Crozier	Mr Long
Mr Dunn	Mr Radford
Mr Evans	Mr Storey
Dr Foley	Mr Taylor
Mr Granter	Mr Ward
Mr Guest	
Mr Hamilton	*Tellers:*
Mr Hauser	Mr Reid
Dr Howard	Mr Saltmarsh

NOES

Mr Butler	Mr Walker
Mr Eddy	Mr Walton
Mr Landeryou	Mr White
Mr Mackenzie	
Mr Sgro	*Tellers:*
Mr Thomas	Mr Kennedy
Mr Trayling	Mr Kent

PAIR

Mr Houghton	Mrs Coxsedge

The Bill was read a third time.

The sitting was suspended at 6.45 *p.m. until* 8.18 *p.m.*

PUBLIC SERVICE (AMENDMENT) BILL

The Hon. HADDON STOREY (Attorney-General)—On behalf of the Leader of the House, who is absent on Government business, I move:

That this Bill be now read a second time.

The Public Service Act 1974 has now been in operation for some four years. Generally the Act has worked well but the experience of the Public Service Board and permanent heads in its administration over that period has revealed the need for the introduction of additional powers or the clarification of existing powers in certain areas. Two such areas requiring revision are long service leave and staff redeployment. This Bill proposes a number of important changes in respect of these matters. It also includes measures to amend the provisions governing vacancies in certain permanent head positions and the assignment of officers and employees to perform higher duties.

Clause 2 of the Bill is a measure designed to remove an element of doubt which has arisen in relation to section 23(2). Section 23 is concerned with the filling of vacancies in the offices of permanent head included within Part A of Schedule Two to the Act. Special statutory provisions apply in respect of the filling of vacancies in the offices of permanent head described in Part B of Schedule Two. No such provisions apply in relation to the offices described in Part A, and section 23 lays down the procedure to be followed in filling vacancies in respect of Part A offices. However, while sub-section (1) refers to an office which is "vacant or is about to become vacant", sub-section (2) refers simply to the filling of "a vacancy" and consequently casts doubt on the power of the Governor in Council to appoint a person prospectively to an office which has not yet fallen vacant. The amendment in question will remove that doubt.

Clause 3 is a measure designed to allow the permanent head, with the approval of the board, to redeploy officers of similar classification within particular areas of his department. Such redeployment is often necessary for the most effective performance of particular duties or work or for general staff development purposes. As section 37 is at present structured, this course is not possible unless a vacancy in one of the affected positions occurs. The amendment proposed will allow substantial reorganization of work or rotation of staff in a given area of a department in the interests of greater efficiency. Any series of such lateral transfers will, of course, be oversighted by the board.

Since the initial proposal of this measure both the Government and the Opposition have given consideration to the position of the officer who may not,

for a variety of reasons, wish to be transferred or who may see his transfer as being made in contravention of the spirit of the provision. To resolve this situation, the Government, in the course of the debate on the measure in another place, proposed that the words "and after consideration by the board of the views of the officers concerned" become part of the proposed section 37 (5A), and the Opposition suggested, and the Government accepted, that the provision be further supplemented by the insertion, as proposed section 37 (5B), of a formal appeal procedure in the event that an officer, after consideration of his position by both the permanent head and the board, still felt that the transfer was inimical to his interests in terms of the grounds set out in such measure.

The Public Service Board has now drawn to attention the fact that the effect of these amendments will be to create an inconsistency, and has proposed, with the concurrence of the Victorian Public Service Association, that the amendments be recast so as to incorporate the following matters:

There is a prescribed right of appeal for officers involved in transfers.

That the appeal right would be handled only by the Public Service Board.

That the grounds of appeal as proposed in proposed section 37 (5B) (*a*) to (*c*) be deleted.

Having considered these matters, the Government believes they are appropriate and accordingly proposes to move a suitable amendment during the Committee stages of the Bill.

Clause 4 would amend section 37(8A), a provision inserted into the Act in 1975. There are two reasons for the proposal. In the first place, difficulties have been experienced in the interpretation of the word "remuneration", a word of extremely general meaning. The replacement of this expression with the words "salary or wages" will resolve the question.

Secondly, a number of other circumstances have been seen as necessarily requiring the transfer of an officer to an office, the salary for which is less than that he is then receiving, and it is seen as more practicable that these circumstances, and any other such circumstances which might be found to exist in the future, be incorporated in the regulations rather than in the Act itself.

Clause 5 proposes the insertion of section 37(11A). The Act provides for an officer to become "unattached", that is, to cease to hold a particular position, in a number of circumstances. For example, where, pursuant to section 28(2), an office is abolished, the holder of the office becomes an unattached officer. Again, the board may appoint a person to the service as an unattached officer pursuant to section 29(2). The Act does not, however, confer a specific power of "attachment" That is to say, the power to place an unattached officer in a vacant office. The proposal now is that where the board is asked to advertise a vacant office and it appears the vacancy may be suitably filled by transferring a qualified unattached officer of the same classification, the board may, after consultation with the permanent head, transfer such officer into the vacancy.

It should be emphasized that the provision for consultation with the permanent head is designed to ensure that an unattached officer will not be transferred into a vacancy unless the board is completely satisfied that it is appropriate in all the circumstances for such a course of action to be followed. It is important, however, that the board, as the body with the over-all responsibility for the effective redeployment of Public Service staff, should have the reserve power to ensure that unattached officers are effectively and efficiently redeployed.

Three important amendments are proposed in respect of the long service leave provisions in the Act. The first of these, dealt with in clause 5, meets a long-standing request of the Victorian Public Service Association that the entitlement to long service leave be extended to allow such leave to be taken at half pay over twice the period in question. This option is already enjoyed by other Victorian Government em-

ployees, such as those employed in the State Electricity Commission and the Gas and Fuel Corporation.

Clause 6 accordingly proposes the insertion of a new section 47(1A) to allow any officer or employee already entitled to a period of long service leave with pay to take that leave—or any part of that leave—for twice the period of entitlement on the basis that he shall receive half the rate of pay. Thus, where an officer desires to take twice the period of his standard entitlement he will only receive half the rate of pay during the period of his absence. The taking of long service leaves on this basis will be at the discretion of the board.

Clauses 7 and 8 would enable the more effective administration of the long service leave provisions. Clause 7 is a technical amendment which arises out of advice given by the Crown Solicitor as to the proper interpretation of section 47(6). The amendment will allow the certification by the Governor in Council of a Government office or an office in the service of a prescribed public statutory body as an office substantially similar to an office in the Public Service, nothwithstanding that such office is declared by statute to be not subject to the Public Service Act. As section 47(6) stands, it has been seen to be inapplicable to a number of Crown statutory office-holders, such as the Chairman of the Forests Commission, whose constituting statute declares them to be not, in respect of their offices, subject to the Public Service Act.

Clause 8 is a measure which will amend section 47(7) to allow the provision in the regulations for service in any Government office, whether State or Commonwealth, or service with any specified authority or similar body to be taken into account, with or without restriction, in computing the period of service of an officer for long service leave purposes. The amendment overcomes certain difficulties in the interpretation of the existing sub-section and the inability of the board to allow the recognition of service with particular bodies or authorities. For example, it has been seen as possible to recognize the prior service of an officer with a public hospital in New South Wales, but at the same time not possible to recognize the prior service of an officer with a Victorian public hospital, because of the differing status of such bodies in the respective States.

Clause 9 proposes the repeal of section 50(4). That section is concerned with the approval of certain assignments of officers or employees to perform higher duties in their departments and the payment of appropriate allowances determined by the board in respect of such assignments. Section 50(4) was intended to allow an appeal against an assignment for a period of more than one year on the same basis as if the officer assigned had been previously promoted to the higher office. It has been found impracticable, however, to relate the appeal provisions concerning the provisional promotion of officers to the assignment situation. The board has accordingly proposed the repeal of section 50(4) on the basis that future assignments for a period of more than one year will be allowed only in special circumstances and after all aspects of the particular work situation have been fully considered. Section 50(1), of course, requires that any assignment in excess of three months must have board approval.

All of the measures in the Bill have been examined by the consultative committee, Public Service Act 1974 on which the board, departments, and the Victorian Public Service Association have representation, and have been proposed by the board and considered by the Government in the light of the comments of that committee.

The Government regards these measures as of particular importance to the continued effective administration of the Public Service. I commend the Bill to the House.

On the motion of the Hon. D. R. WHITE (Doutta Galla Province), the debate was adjourned.

It was ordered that the debate be adjourned until later this day.

COMMERCIAL GOODS VEHICLES (AVIATION FUEL) BILL

The debate (adjourned from earlier this day) on the motion of the Hon. D. G. Crozier (Minister for Local Government) for the second reading of this Bill was resumed.

The Hon. G. A. S. BUTLER (Thomastown Province)—It is with much pleasure that I indicate that the Opposition does not oppose this Bill, which is an amendment to the Commercial Goods Vehicles Act.

I am extremely pleased to be associated with the Bill because it will have the effect of stopping those people who transport petroleum products, particularly that most volatile product, aviation fuel, along the Tullamarine Freeway to the airport.

The happy stage has been reached where the pipeline from Altona to Somerton has been completed with a branch line from Somerton to the Tullamarine airport which transports 1·8 million litres of aviation fuel to the airport daily.

The next result is the removal of 70 petroleum tankers from the Tullamarine freeway which pleases me, as the member representing the Thomastown Province, and the honorable member representing the Doutta Galla Province. The freeway does not enter the Thomastown Province as it is confined to Tullamarine, although I have an interest in those tankers which move off the Tullamarine Freeway onto Pascoe Vale Road. The Bill still allows the Transport Regulation Board, if necessary, for argument's sake if the pipeline collapses or blows up, to give permission for tankers to transport aviation fuel from Altona to Tullamarine. This is a good development.

The reports of the Victorian Railways Board, the Transport Regulation Board and the State Development Committee, and the Minister, in his second-reading speech mention that the second stage of the project will include the construction of the multi-product facilities at Somerton to enable road and rail tankers to be filled at the terminal which will further reduce the need to transport petroleum products by tanker through the built-up areas of the northern suburbs.

The only criticism I make, if it can be deemed to be a criticism, is that the Minister of Transport has not stated when that second stage will be completed. I should like him to do so. Some years ago the Broadmeadows and Essendon city councils agreed to the construction of the pipeline on the basis that it would remove a serious problem from those roads which feed the northern areas of Victoria. In another speech, I stated that 288 petroleum tankers use Pascoe Vale Road in a twelve-hour shift each day.

The construction of the Somerton terminal would stop all tankers coming into the city to recharge and travel to the north-eastern parts of Victoria. I should like to know the answer so that I can tell my supporters and the members of the Broadmeadows and Essendon councils when that second stage will be completed. I have seen that development referred to on three occasions in committee reports but the Budget papers do not show any allocation of funds for the project.

I am pleased to be associated with the passage of a Bill which at least gets 70 petroleum tankers off the highways. I hope the Government will seriously consider the proposal that VicRail and the oil companies provide more pipelines for petroleum distribution. I am sure that honorable members who represent the eastern suburbs would like to see tankers removed from the roads. These tankers charge up and down the freeways in the eastern suburbs to service the rural areas of the State.

It is pleasing that the initial project has been established, namely, the joint VicRail and petroleum companies project, which will alleviate one major problem. Perhaps the Government should consider three or four of these terminals which would do away with what all honorable members consider to be a particularly hazardous method of transporting liquid fuels.

Only one tanker need blow up. I dread the thought that it could happen in Glenroy. I am sure no honorable member would want to see it happen in any area, but I shudder to think what would happen if a tanker blew up in the Glenroy shopping centre. It would exterminate thousands of people at any given time of the day.

I commend the Government for having established this part of the project and I seek from the Minister representing the Minister of Transport some assurance that the second stage of the project will be completed as soon as possible.

The motion was agreed to.

The Bill was read a second time and committed.

Clause 1 was agreed to.

Clause 2 (Amendment of No. 6222 s. 5)

The Hon. D. G. CROZIER (Minister for Local Government)—I listened with interest to the comments by Mr Butler. I thank him and the Leader of the National Party for their support of the measure, which is clearly something of a landmark in this objective. I can assure Mr Butler that the proposed second stage to the terminal at Somerton is an important further objective of this project and, although I cannot give a precise time-table, I will convey to my colleague, the Minister of Transport, Mr Butler's interests and request that this project be completed and also his request for a working time-table for the project.

The clause was agreed to, as was the remaining clause.

The Bill was reported to the House without amendment, and passed through its remaining stages.

VICTORIAN DEVELOPMENT CORPORATION (POWERS) BILL

The debate (adjourned from earlier this day) on the motion of the honorable D. G. Crozier (Minister for Local Government) for the second reading of this Bill was resumed.

The Hon. D. R. WHITE (Doutta Galla Province)—This is an important legislative measure because it significantly alters the original purpose of the Victorian Development Corporation which was to provide long-term funding of decentralization and tourism projects.

The Premier, who is also the present Minister of State Development Decentralization and Tourism, seeks to provide for investment opportunities in the State from overseas and interstate and for the export marketing of the State's primary resources, manufactured goods and tertiary services. The matter that is ambiguous and is not resolved is the effect this will have on the original purpose of the Victorian Development Corporation which, as most honorable members know, was to provide loans for decentralized industry beyond the radius of 50 miles from the General Post Office or within the radius of five miles from the principal post offices at Bacchus Marsh, Broadford, Gisborne, Kilmore, Kyneton and Woodend.

The most important provision in the Bill is contained in clause 3 which alters section 11 (2) of the principal Act, and has the effect, to all appearances, of removing the term "of country industries" and inserting in its place new provisions which include the statement that assistance will be given to those who wish to have investment opportunities in the State from overseas and interstate.

The Hon. W. A. Landeryou—Mr President, I draw your attention to the state of the House.

A quorum was formed.

The Hon. D. R. WHITE—As I was saying, the effect of the amendment to the Victorian Development Corporation Act will be that section 11 (2) of the new Act will read:

> The Corporation shall have the power to do all things necessary or convenient to be done for or in connection with encouraging promoting facilities and assisting in the establishment carrying on expansion and development of

And in respect of paragraph (c):

> investment opportunities in the State from overseas and interstate; and

I am endeavouring to demonstrate that when one reads section 11 (2) of the principal Act in conjunction with the

proposed amendment, especially in respect of proposed paragraph (c) it means that no longer will the Victorian Development Corporation be exclusively concerned with attracting industry to areas beyond a 50 mile radius of Melbourne, that the Government has in mind using the Victorian Development Corporation to provide loans for investors from interstate and overseas not only for the area outside the metropolitan area, but, it is contended, also for the metropolitan area. The Opposition would have appreciated some explanation in the second-reading speech for making this substantial change.

It would appear that the Victorian Development Corporation now has a new role but, as with many measures undertaken by the Government, there is no indication why it is to undertake that role. Moreover, it would appear that, in endeavouring to attract industry to Victoria, not only to the metropolitan area but to rural areas, from interstate and overseas, the Government, and in particular the Minister, have given no indication of the criteria that will be used before loan funds are handed out.

There is every indication that the Government is again prepared to proceed on an *ad hoc* basis, on a first come first served basis, without considering the needs of the people of Victoria and without providing an adequate service to potential investors.

It would be reasonable to assume that the Government had an economic policy for the future of this community, and that it would explain to potential investors what type of industry it was seeking to attract. It has been drawn to the attention of the Government and the House on more than one occasion during this sessional period that there are particular problems in the Victorian economy. There has been a preoccupation in the past with labour intensive industries such as clothing, footwear, textiles and motor vehicle manufacturing, but these are no longer suitable or desirable as the most appropriate fields for future investment.

The New South Wales economy has improved more rapidly than has the Victorian economy in recent years. In New South Wales the building sector and other sectors have become buoyant due to the initiative of the Wran Labor Government in capital expenditure in the public sector. That has been particularly lacking in Victoria. As a result of those initiatives the mining industry, particularly coal mining, is buoyant in New South Wales. The metal fabrication industries in New South Wales are also progressing in a way in which industries which have a natural advantage in Victoria have not progressed.

The Premier made a statement not more than twelve months ago that unemployment in Victoria was lower than the national average and that Melbourne's rate was less than that of any other capital city. That no longer holds true. Unemployment in Melbourne is now appreciably worse than the national average, and it is due largely to the failure of the Government to work out a proper strategy for the future.

It has been indicated to Government party members on more than one occasion during this sessional period, and also in the media, that there are areas where Victoria has a natural advantage. The Opposition believes the natural advantage is related to its geographic position, because Melbourne is located centrally between Hobart, Adelaide and Sydney. Consideration should be given to the fact that Victoria has a natural advantage in storage and port facilities, that it is the financial capital of the country, and that those natural advantages should be maximized. In addition to that, Victoria is also in the forefront in communication.

The Premier, who is the Minister for State Development Decentralization and Tourism, should be carrying out an assessment of the areas in which there is a natural advantage and examining the areas which should no longer be encouraged. The protected industries, such as textile and clothing, should no longer be encouraged because of the natural advantages of

Taiwan, South Korea and Singapore in that they are labour intensive industries.

For those reasons, the Opposition recommends a reasoned amendment to this Bill which provides:

> That all the words after "That" be omitted with the view of inserting in place thereof "this Bill be withdrawn and re-drafted to require the establishment of an economic research unit to prepare an evaluation of the potential of secondary and tertiary industries to which it is intended that new investment be attracted from overseas interstate and local sources, and further to require that the details of all loans be disclosed."

The Opposition advocates in this context that it is not only beneficial to the community in Victoria that the Government has an economic policy but, as I have already indicated, it is also important to potential investors to know which areas in Victoria have a natural advantage. These people could carry out their own economic assessment, but it would be a service to potential investors in Victoria to know what the Government thinks about the best areas for investment. The Government should be carrying out this service initially and should be making some attempt to assist potential investors by giving them a service and informing them where the future lies, as the Government sees it.

There have been too many examples of lobbying from local government groups for loans to be made by the Victorian Development Corporation to small country towns, for labour intensive textile, footwear or clothing industries which have subsequently gone to the wall very quickly. The consequence is dislocation to investors, employees, and the community at large who have looked optimistically on such investments. Most of those investment mistakes could have been avoided if a proper economic service had been provided by the Government.

I believe this point would have been more obvious if the Government had taken steps to ensure that details of all loans made by the Victorian Development Corporation were, as a matter of course and legislative requirement, made public. This is a contentious issue on which the Opposition disagrees with the Government. The Opposition contends that a loan from the Victorian Development Corporation to an individual or a company is not a normal banking arrangement. It is not an arrangement in which only the beneficiaries should have a right to determine whether the loan should be made. The Opposition is seeking to have the legislative requirement of the Local Government Act applied to the Victorian Development Corporation. The Local Government Act states that any municipality that wishes to make loans to companies for decentralization purposes must, on behalf of the ratepayers and the community generally, make details of those loans public so the community knows what is occurring.

The Hon. Glyn Jenkins—How much detail would you make available?

The Hon. D. R. WHITE—The potential money requirements, the name of the beneficiaries, the terms and conditions of the loan, the interest rate, the amount of the loan and the terms of the repayment, and obviously the purpose for which the loan is to be used. The name of the company in most cases would make this obvious. The Opposition believes there should be a disclosure, and that is why that aspect is included in the amendment.

The relevant department should have a research unit to provide a service to investors and the community so it is clear that there is a way ahead, but as soon as the bogey of any economic planning raises its head, the Government hides under the label, "that is some form of Socialist plan". The Government lags decades behind. Any member of the Government, anyone who has had anything to do with a corporate institution, be it a multinational company or a company of any size, will know that those companies undertake this degree of corporate planning and management that this Government continually hides from and fears in some regard.

It is not only an erroneous policy, but this *laissez-faire* attitude is not to be found in any western European

country, in American or Canadian States, where the Government from time to time is of a conservative or liberal regime. Australia, and particularly Victoria, lags behind because the Government has proceeded out of ignorance and has not kept up to date with changes in the corporate sector, let alone the public sector. It is regrettable that, at the end of the 1970s, the Opposition is continuing to push for the implementation of policies which most Governments, and not only the most far-sighted Government, have seen fit to implement 20 or 30 years ago.

The amendment I propose is a substantial one to bring the Government up to date, I would suggest, into the 1950s. That is when most of these initiatives were taken, but there is a public requirement for a significant change in the philosophy and attitude of the Victorian Development Corporation so that it will attract industry from interstate and overseas to the metropolitan area as well as the rural sector.

I intend to move an amendment during the Committee stage because of another oversight by the Government in preparing the Bill. The Government is confining its loans to investment opportunities in the State from overseas and interstate and is not making available loans to companies which are already in existence and operating locally. There is a discrimination in the Bill against companies already operating successfully locally that wish to continue or to expand. There is every reason to suggest that the legislation ought to be amended in that way at the appropriate time to enable local industry, as well as industry from interstate and overseas, to have the same access to loan funds from the Victorian Development Corporation.

I formally move:

That all the words after "That" be omitted with the view of inserting in place thereof "this Bill be withdrawn and re-drafted to require the establishment of an economic research unit to prepare an evaluation of the potential of secondary and tertiary industries to which it is intended that new investment be attracted from overseas interstate and local sources, and further to require that the details of all loans be disclosed."

The PRESIDENT (the Hon. F. S. Grimwade) — Honorable members speaking from now on will be speaking to the motion and to the amendment.

The Hon. W. R. BAXTER (North Eastern Province)—The National Party supports the Bill. It believes, in the six years the Victorian Development Corporation has been set up, it has played a valuable role in assisting industries throughout country Victoria. The Bill transfers to the corporation some powers, duties and responsibilities presently exercised by the industrial development division within the Ministry of State Development Decentralization and Tourism. It is a valuable move to group these like activities together within one corporation, which will have the ability to attract sufficient officers with the required experience and expertise. As I understand it, the department has, from time to time, had certain difficulties in attracting suitable officers and in retaining them on its staff.

It is all very well for Mr White to criticize the corporation for lending money to industries that are not successful. He should know that it is, after all, a lender of last resort. In that situation, it is bound to have a few failures but, in fact, there has been only one bad debt, and that did not involve a small country industry. The only loss was connected with the Mitchelton winery, and that did not involve footwear or textiles, on which Mr White also cast aspersions. That is a tremendous record.

In fact, one could be critical from the other point of view and say, "If you have had only one failure and you are a lender of last resort, your criteria must be too tough. You must be knocking back too many applications. You ought to be a bit more courageous and help even more industries". I do not accept Mr White's criticisms on that score.

I am also unable to accept or support the amendment he has moved. It would serve no purpose to require the

Bill to be withdrawn to achieve what Mr White suggests in the amendment. Of course, adequate investigations must be made prior to the granting of any loan, but I have no reason to believe those investigations are not carried out at present and I cannot, even for one moment, support the view that details of all loans should be disclosed.

Confidentiality has a place in the business world. That does not mean that I support secrecy or a cover-up, but the details of loans do not have to be emblazoned from the rooftops for all to see. They do not have to be made available to the competitors of the businesses involved or to people who have no right to know them. For those reasons, the National Party rejects the amendment and supports the Bill.

The Hon. GLYN JENKINS (Geelong Province)—I support the Bill and reject the amendment. In his usual style, in attempting to denigrate the good provisions of the Bill, Mr White knocked the State of Victoria. That is his normal tactic. I am always concerned when people knock their country towns, regions or cities because in the end people tend to believe what is said if it is said often enough.

Although Victoria has been going through a difficult phase, it is in an excellent position to go forward to the year 2000. Whatever Mr White might say about the suitability of Victoria as a place in which to develop transport and distribution facilities, he has completely overlooked the value of brown coal reserves in the Latrobe Valley. In my view, the future potential of Victoria will spring from that valley and also from the additional resources that it was recently announced have been found in the western area of the State. That is the first time resources have been found in the area. It is the exploration and developmental work being done by companies, many of them the dreaded multi-nationals, that will assist Victoria into the future.

The other reason I oppose the amendment is that, as the Premier announced at the recent meeting of the State Council of the Liberal Party, the Government is establishing a nine-man economic unit to assess the future potential of Victoria up to the year 2000. The Government is seeking men and women to become members of that economic unit and the Premier has indicated that it will be staffed and that the resources of the Government will be made available to it. The unit will be examining such matters as employment for the next two decades, energy and transport, to which Mr White alluded. More importantly, it will be necessary for the committee to ascertain what the State can do best. There are resources in other parts of Australia that other States can obviously exploit economically to the great advantage of the nation. Victoria must find out where Victoria's resources lie and the best ways of using them.

The Government is also running a number of assessments on the future potential of brown coal in the Latrobe Valley and examining the future of char, oil and other derivatives of brown coal. It is futile for Mr White to say the Government is doing nothing. He chooses to ignore what the Government is doing.

During the next twenty years, because of its vast brown coal resources and their relative closeness to centres of population, Victoria will be in a position to supply electricity at competitive rates compared with other parts of the world. Brown coal is not a resource that can be sold overseas, but it is adaptable for the provision of cheap electric power. In my view, Victoria's future will be associated with the production of aluminium and, perhaps, in the long term, the development of products made from aluminium, such as engine blocks for cars. That possibility is now being examined and all possibilities should be examined to ensure that Victoria makes the best use of its resources.

Only this morning, members representing the Geelong area introduced a deputation from Carborundum Pty Ltd to the Premier. That company is seeking support for the establishment of a new industry in Geelong. This matter has been raised in the House in recent times—the company needs cheap

power. The Premier made it clear that it is not always possible to provide cheap power for a particular industry when agreements and negotiations have already been entered into with other companies. The company involved would make use of the natural resources of the State and the provision of cheap electricity to produce a product, silicon carbide, which is not produced elsewhere in Australia and it is doubtful that it could be economically produced anywhere else in this country. In this sort of area, the Government is on the right track.

Mr White also attempted to denigrate the value of the Victorian Development Corporation in setting up small industries in country and provincial Victoria. From my own experience, I can tell the House that the Victorian Development Corporation is a most vital weapon in Victoria's armory to attract and hold industry in this State.

Only about two years ago, when the Miller twine and rope company was in financial difficulties and a receiver and manager was appointed, it appeared almost certain that the Geelong works of M. Donaghy and Sons Pty Ltd would close. The staff had by then already fallen from 300 or 400 to approximately 160. When I heard of it, I contacted the directors of Kinnears Ltd because I thought that company might be interested. I told the company that if it was interested, Mr Crozier, who was then the responsible Minister, the head of the department, Mr Brereton, and Mr John Banks of the Victorian Development Corporation would be happy to discuss the matter tc discover ways in which the Government could help.

In a matter of weeks, all the negotiations and discussions were held and Kinnears Ltd put in a tender to the receiver. The work at the factory did not stop and the staff has been built up since then. The vital factor was that the corporation was able to guarantee loans to assist the company and to give it every encouragement. Honorable members do not always receive nice letters from people they have helped, but I received a very encouraging letter from Kinnears Ltd as the result of that operation. Since then a further loan has been made to the company and it is continuing to develop.

That is the sort of situation the Bill deals with and it is the sort of activity carried on by the Victorian Development Corporation. The usual financial centres would not have made funds available to Kinnears Ltd to enable it to take over the company and keep it going.

There is an element of risk in some of the loans the corporation makes, but no one should be too ready to criticize it if one or two go bad. In making my next remark I do not intend to criticize the Whitlam Labor Government and I should not like honorable members to take it in that fashion. That Government also took some risks in investments throughout Australia. Some of those went bad and millions of dollars were lost in the process. I do not criticize that. There is a role for the Federal and State Governments, in certain circumstances, in encouraging marginal industries. If the Government is prepared to subsidize and help transport and primary industry, there comes a time when it should be prepared to take a risk in setting up industry. In those cases we should not be too critical if the industries go bad occasionally because, no matter who lends money, a percentage of loans will not be successful.

I welcome the Bill. The Victorian Development Corporation, under Mr Banks and his fellow members, is doing an excellent job and ought to be encouraged. In his amendment, Mr White suggested that the details of all loans ought to be disclosed. The Opposition seems to have shifted its ground a little because, when the matter was raised some time ago, it was claimed that the files ought to be open for general inspection. Mr Elliot, a former member of this House, put that proposition forward. I pointed out that it is almost impossible to make a proper economic assessment of the situation if the files are open for everybody to see. That is so because it is necessary to call for confidential reports from experts, such

as accountants, solicitors, merchant bankers and others, and if people are going to——

The Hon. D. R. White—That is a red herring. Deal with the issue as I stated it.

The Hon. GLYN JENKINS—It is not a red herring. Ever since I became a member of the House, the Labor Party has suggested that full details of all loans ought to be made available. I do not agree. What is being done is that if the company concerned is prepared to make the information public, it is made public. I agree with the remarks made by Mr Baxter. Mr White's remarks were in the light-weight class and are not really worthy of consideration.

The Hon. D. G. CROZIER (Minister for Local Government)—The Government cannot accept the amendment for the reasons Mr Jenkins has just stated, and for one or two other reasons. Firstly, as Mr Jenkins correctly pointed out, the sort of expert economic research unit to which Mr White attaches some importance has already been discussed and its formation has been announced by the Premier.

In any case, there is considerable expertise in the Department of State Development Decentralization and Tourism and in the Victorian Development Corporation to constantly evaluate investment potential. Indeed, this being a dynamic area in a dynamic State, they would be not fulfilling their function if they did not have this capacity.

The Hon. D. R. White—I am not talking about evaluation. It is a pity you do not understand the amendment.

The Hon. D. G. CROZIER—I can only understand what I read. I remind the House of what is written:

> . . . an economic research unit to prepare an evaluation of the potential of secondary and tertiary industries.

The department, as one of its statutory functions, has an on-going obligation to keep in touch with the salient features of industrial development throughout the State. The Victorian Development Corporation also has expertise in this area. I do not suggest that those capacities cannot be improved. Clearly, what Mr Jenkins has spoken of and what is planned is to add depth to that capacity for this very evaluation.

Another reason is allied to this: That, having made that evaluation, the Government would then be very much at the mercy of the opportunists. It is not simply a matter of the Government, however well equipped it may be for persuading would-be overseas or interstate investors to come to Victoria, although that is very much part of the job, but of being equipped to ascertain where the investment is most likely to come from and which industries will be interested, so consideration must be given to those aspects.

For some strange reason, Mr White has tacked on to his amendment, giving vent to his opposition, that total disclosure of negotiations——

The Hon. D. R. White—I explained the information I sought.

The Hon. D. G. CROZIER—No doubt the honorable member has done his best to explain it. I think the House is perfectly clear on Mr White's intention in this regard, that is, that all names be disclosed. As Mr Baxter pointed out, this is not appropriate.

Mr White has also criticized the Victorian Development Corporation on the ground that its track record in assisting smaller industries in smaller country centres, some of which are involved with footwear, textile and clothing industries, is a misdirection of resources, and he has coupled with this his policy of confidentiality. I wonder how many of the 600 loans would have been made had it been known to recipients and prospective recipients that full details of their negotiations and their borrowings were to be made public. Even those companies that agreed subsequent to loans being made to having those loans publicly announced—and that is quite often the case—might well have had second thoughts had they known from the beginning that that would be a mandatory requirement. I do not accept Mr White's argument that this is a reasonable development. It would considerably inhibit the activities of the Victorian Development Corporation.

The track record of the Victorian Development Corporation is the admiration of other States. Other States have copied it and there can be no more eloquent testimony to their admiration than this. I am pleased that the South Australian Government, which is under new management, has done just this in recent months. That means, amongst other things, that Victoria will not get quite the same flow of migrants from that State. I say, "Good luck to South Australia". It is time a new age dawned there.

It is a fact that some of the Victorian Development Corporation loans made to small industries in country centres, to which Mr White refers rather disparagingly saying that those industries came from South Australia while it was under the sort of management which would apply if this State ever had the misfortune to be under the thumb of the doctrinaries opposite——

The PRESIDENT (the Hon. F. S. Grimwade)—I ask the Minister to return to Victoria and to the Bill.

The Hon. D. G. CROZIER—Let me conclude my explanation of the Government's opposition by one or two further remarks about confidentiality. If the Victorian Development Corporation were compelled to release all details of all loans, it would not be long before Mr White and the Labor Party would be demanding details of all loans from the Rural Finance Commission; and why stop with the Rural Finance Commission? Why not extend it to the State Savings Bank? In one sense that may spoil Mr White's sport because honorable members know that, in the words of his Leader, he is a man with extraordinary investigative powers. Some honorable members have another description for it. However, if this information were all laid on the table, he would not have quite so much work to do. Can anyone seriously imagine that such a requirement would attract industry and investment to this State? That requirement would be inimical to the operations of the Victorian Development Corporation, the Rural Finance Commission or any other lending authority. It could be extended through to the Commonwealth Development Bank and so on.

The Hon. D. R. White—I know honesty and openness do not come easily to you. That is why you were demoted.

The Hon. D. G. CROZIER—There was nothing dishonest in my comment. If it comes to a contest of credibility, I am prepared to put mine on the line in this place or outside it with the honorable member opposite.

The Hon. D. R. White—I will accommodate you in any public forum.

The Hon. D. G. CROZIER—I shall return to the amendment. For the reasons I have stated, the Government opposes the amendment.

The Hon. CLIVE BUBB (Ballarat Province)—I support the Bill and oppose the amendment. The House has digressed a deal from the main thrust of the Bill, which is to bring the previous activities of the Export and Investment Division of the Department of State Development Decentralization and Tourism under the Victorian Development Corporation and to provide some protection for officers transferred or seconded to that section of the Victorian Development Corporation.

I support Mr Baxter in his remarks about the activities of the Victorian Development Corporation, which has a remarkable record. Of some 600 loans granted, there has been one bad debt.

I come to some of the points raised by Mr White. He referred to New South Wales and to the building, mining and metal fabrication industries and to areas where Victoria has a natural advantage. He cited three areas—storage, transport and communication. About three weeks ago I was watching a film called *The Chips are Down* and I was looking at a totally automated warehouse where about two people were employed. There has been a revolution in the transport industry with containerization and a downgrading of the employment of people. In communication, this country is seeing a revolution in which satellite and deep dish technology will further do away with the employment of people. That is the sort of thing Mr White is proposing for Victoria.

The Hon. D. R. White—More capital intensive industries, that is correct.

The Hon. CLIVE BUBB—Exactly. The House went through this the other night. Mr White then referred to the labour intensive industries—the clothing, footwear and textile industries—which are currently under review by the Industries Assistance Commission. There have been many public statements made in the newspapers of this country about the effects of cutting down in those industries. What is to be done with the people? My home town is Ballarat, a city which has an unemployment rate of 9·9 per cent. I applaud the moves of the Victorian Development Corporation to do something about that. Mr White talks about cutting down in the clothing, textile and footwear industries and has suggested they are not the industries Victoria should encourage. If the sort of proposition put by Mr White were agreed to, Ballarat and many other country centres would be much worse off. It is not relevant, as Mr White suggested it was, to talk about radii and to differentiate between metropolitan and country industries.

The Hon. D. R. White—That is what the corporation is for.

The PRESIDENT (the Hon. F. S. Grimwade)—Order! Mr White will cease interjecting.

The Hon. CLIVE BUBB—It is relevant to talk about the employment of people, in country towns especially, because that is the area of the largest social problem. There is a drift of young people to the city and there is a problem because many smaller industries are closing down. Through the Victorian Development Corporation a direct effort is being made to stem that tide.

I oppose the amendment. I look back to when I was working for an organization in Geelong as a member of the Business and Employment Sub-Committee of the Geelong Regional Commission.

The Hon. W. A. Landeryou—No wonder the unemployment there went so high.

The Hon. CLIVE BUBB—That may be so. I am not there any longer. While I was a member of that committee at the time of the Whitlam Administration in Canberra, a series of people from Mr Uren's department came to see me. In my view, they were ivory tower academics who told me there would be a massive growth in tertiary industries. I asked them how that would happen and they talked about pie-in-the-sky ideas such as that Alcoa would move its head office back to Geelong, that Ford Australia would move its headquarters to Geelong. None of the things they talked about have happened. Most people who have a reasoned approach to this problem now realize that the tertiary industries in this country will not achieve the growth rates projected.

The amendment smacks of a typical Australian Labor Party strategem: Let us have a study. There were so many studies under the Whitlam Administration that I became sick and tired of looking at them. Many of them came up with results that Blind Freddie could have seen anyway. I support the Bill and oppose the amendment.

The House divided on the question that the words proposed by Mr White to be omitted stand part of the motion (the Hon. F. S. Grimwade in the chair).

Ayes	25
Noes	11
Majority against the amendment	14

AYES

Mr Baxter	Mr Knowles
Mr Campbell	Mr Lawson
Mr Crozier	Mr Long
Mr Dunn	Mr Radford
Mr Evans	Mr Reid
Dr Foley	Mr Saltmarsh
Mr Granter	Mr Stacey
Mr Guest	Mr Storey
Mr Hamilton	Mr Taylor
Mr Hauser	Mr Ward
Mr Hayward	*Tellers:*
Dr Howard	Mrs Baylor
Mr Jenkins	Mr Bubb

NOES

Mr Butler	Mr Trayling
Mr Eddy	Mr Walton
Mr Kennedy	Mr White
Mr Kent	*Tellers:*
Mr Landeryou	Mr Mackenzie
Mr Thomas	Mr Sgro

PAIRS

Mr Hunt	Mr Walker
Mr Wright	Mrs Coxsedge

The motion was agreed to.

The Bill was read a second time and committed.

Clauses 1 and 2 were agreed to.

Clause 3 (Amendment of No. 8428 s. 11 (2))

The Hon. D. R. WHITE (Doutta Galla Province)—I move:

Clause 3, line 27, omit "and interstate" and insert "interstate and locally".

I not only move the amendment but also seek from the Minister an explanation of the purposes of the clause.

The CHAIRMAN (the Hon. W. M. Campbell)—Order! It is customary when an amendment is before the Chair to deal with the amendment first.

The Hon. D. R. WHITE—I am seeking from the Minister an explanation of the purpose of the amendment to the principal Act.

The CHAIRMAN—Order! The amendment and no other matter must be dealt with first. The honorable member cannot deal with two things at once.

The Hon. D. R. WHITE—I am referring to clause 3 (1) which provides *inter alia*:

In section 11 (2) of the Principal Act for the words "of country industries and with the provision of tourist accommodation and facilities throughout the State and without limiting the generality of the foregoing" there shall be substituted the expression—

"of . . . . . .

(*c*) investment opportunities in the State from overseas and interstate; and

(*d*) the export marketing of the State's primary resources, manufactured goods and tertiary services."

With respect, I am moving an amendment to clause 3.

The CHAIRMAN—Order! I am aware of that, but the honorable member is trying to tell me that to substantiate his amendment he is asking the Minister a question. That would not be in order.

The Hon. D. R. WHITE—I am going further than that. I will put my argument this way. In moving the amendment, I am making certain assertions about what the Bill proposes to do. I raise this matter either by way of question or by way of assertion. So I will make the assertion, if it is easier for you, Mr Chairman, to understand.

The CHAIRMAN—I do not want Mr White to be impertinent. I am trying to help the honorable member, although he may not realize it. There are Standing Orders in the House which must be adhered to by him and every other honorable member. The first matter before the Chair is the amendment. The honorable member has moved his amendment and should speak only to the amendment and nothing else. Once the amendment has been disposed of, the honorable member may speak to clause 3 and ask the Minister any question he so wishes provided that it is pertinent to clause 3.

The Hon. D. R. WHITE—I understand the Standing Orders and I understand that during the Committee stages honorable members can raise matters either by way of question or by way of assertions. In discussing the amendment, I am indicating to the Minister that my amendment will have the effect of changing the role of the Victorian Development Corporation so that it is no longer making loans not only to rural industry but also to secondary and tertiary industries within the metropolitan area. It is important that that is made clear to the Committee. I also wish to point out that at no stage has the Government indicated that it is aware that the proposed legislation will also have this purpose. I was seeking from the Minister an assurance to that effect because no steps have been taken to achieve that.

The Hon. D. G. CROZIER (Minister for Local Government)—To assist Mr White and perhaps for the interest of honorable members, I should go back a year or two to September 1976 when at one of the periodic meetings of Cabinet which was arranged on the initiative of the Premier with members of the Victorian Congress of Employers Organizations, it was suggested to the Premier that the Department of State Development and Decentralization and the Department of Tourism, as they

were then, should set up and expand their activities to include a section for the encouragement of the export industries of the State and also to encourage investment income. That function was enthusiastically tackled and, in my opinion was successful, given the limited resources of the department and the limited resources available to that section.

Nevertheless, the Government considered that this function should more appropriately come within the ambit of responsibility of the Victorian Development Corporation and the principal reasons for the amendments to section 11 (2) of the principal Act contained in clause 3 of the Bill are to give effect to that initiative. Certainly in doing this, it dilutes the function of the Victorian Development Corporation. As Mr White has pointed out, it will no longer exclusively concern itself with encouraging, promoting, facilitating and assisting in the establishment, carrying on, expansion and development of country industries and with the provision of tourist accommodation and facilities throughout the State. However, it will also include in paragraphs (*c*) and (*d*) of sub-clause (1) of the clause, the investment opportunities in the State from overseas and interstate and the export marketing of the State's primary resources, manufactured goods and tertiary services.

This is the intention and in the second-reading speech it was made clear that the ambit of responsibility of the Victorian Development Corporation was to be expanded. The clause gives specific dimension to those expanded powers. Mr White, in his criticism of the Bill—this was the inference I gained from his remarks—pointed out that this would detract from the capacity of the Victorian Development Corporation to fulfil its previous function.

The Premier made it plain that the primary thrust of the Victorian Development Corporation will continue to be to assist country industries and to provide tourist accommodation facilities throughout the State, but it will also have these broad functions.

As Mr Baxter pointed out, in view of the track record of the corporation and of the importance which the Government attaches to these additional functions, the Victorian Development Corporation should have this over-all responsibility. The Department of State Development, Decentralization and Tourism has relinquished its responsibility in this regard and the corporation has taken over the job of encouraging investment from overseas and interstate and promoting on a selective basis the export of the State's primary industries, the manufactured goods and tertiary services.

The Hon. D. R. WHITE (Doutta Galla Province)—The proposed amendment that I moved must be seen in the context of the statement that has just been made by the Minister, because its purpose is to enable local manufacturing industries in the metropolitan area that wish to expand to have access to and the opportunity of obtaining loan funds for future expansion from the corporation.

The council as it currently stands has the effect of confining the corporation's attention to interstate and overseas companies which wish to locate either in the metropolitan area or in rural Victoria. The Minister offered an explanation to the effect—and this is my understanding of the measure—that it would mean that the Victorian Development Corporation was no longer going to confine itself to providing loan assistance to industries that wish to decentralize, but that it would also consider industries from interstate or overseas that wish to operate in the metropolitan area.

What concerns me is the interstate investors that are already located in the metropolitan area. The spirit of the clause is to prevent these people, merely because they are already established here, from obtaining assistance from the corporation. The clause has the effect of discriminating against industries which are already located in the metropolitan area. Not only people from interstate and overseas but also local sources should have the opportunity of applying to the corporation

for loans, whether they choose to locate their operations in the metropolitan area or rural Victoria.

For that reason I ask the Minister to look closely at the amendment I have proposed. The Opposition does not oppose the clause; it supports the measure the Government has taken and the proposed change. Because the Government has omitted to include local sources it will find that what I am saying is true, that it is discriminating against interstate industries that are already located in Melbourne, multinational companies or overseas corporations already located in Melbourne, and in particular and perhaps most of all, Australian-owned industries already located in Melbourne who may wish to expand and seek assistance from the corporation. For those reasons I have moved that in clause 3 the words "and interstate" be omitted and the words "interstate and locally" be inserted.

The Hon. D. G. CROZIER (Minister for Local Government)—I am sure the multi-national corporations located in this city will be delighted to know that tonight they have a new champion! If the Government accepted this proposed amendment, it would mean that the Victorian Development Corporation's responsibility would be expanded to assist manufacturing industry or investment from whatever source, wherever located. As I have endeavoured to explain, the original thrust of the corporation in which it has been so successful is to continue. I will confess to the House that when I first heard of these proposed amendments, I had some reservations which stemmed from my concern that broadening the scope of the corporation's activities would in some way detract from its momentum and its primary thrust. I think this possible danger is well recognized and it is certainly not the Government's intention to diminish that momentum.

If Mr White's proposed amendment were accepted by the Government it would mean that the corporation would be empowered—and indeed, as I read it, obliged—to give equal cognizance to investment sources locally. The purpose of the extension of its responsibility is to do what these amendments provide, and that is to concentrate on investment opportunities and capital from overseas and interstate. To broaden that power any further, to expand that responsibility any more would inevitably mean, in my view, that the effectiveness of the Victorian Development Corporation must be diminished in some regard, because obviously one must be aware that the resources available to the corporation in terms of money and trained manpower are and will be limited.

For those reasons, but principally because it is not intended that any further expansion and obligation is appropriate, the Government cannot accept the amendment to clause 3 proposed by Mr White.

The Hon. D. R. WHITE (Doutta Galla Province)—It is not often during debates of this kind that I share a view with the Minister for Local Government, but I share his reservations about the original intentions of the Bill. I support the clause but I share the reservations which the Minister expressed about broadening the ambit of the corporation. I believe, as he states, that secondary industries, especially in provincial areas and those that are contemplating decentralizing, need some assurance from the Government so that their rights to access to loans from the Victorian Development Corporation will be protected and they will not be discriminated against; they will still have the same right of access and the same flow of funds if they wish to decentralize. I hope that if the clause is passed, it will mean more funds will be made available and not that similar amounts will be distributed to both metropolitan and rural areas.

I understand and share the Minister's reservations and look forward to the Government giving some reassurance to country industries. However, the purpose of the proposed amendment—and it is most important that the Minister understands it—is that if the clause is passed in its present form

it will mean that all industries throughout the world will have the same opportunity of access to the corporation except those already operating in Melbourne.

For example, if I operate a business in Sydney, Queensland, New York or Great Britain I will have the right of access to a loan from the Victorian Development Corporation, according to this clause, but if I operate a subsidiary company in Melbourne or a wholly owned operating company in Melbourne, I will not have access to assistance from the corporation. In other words, if one operates from a local source one will not have access to the corporation. The clause discriminates against only one form of business, that which already exists here.

Certainly the Victorian Development Corporation has only limited funds; it cannot provide money to just any applicant. It should be looking in the first instance to industries that wish to decentralize, but after that I should have thought that industries which have demonstrated potential and shown that they were successful in Victoria should also be encouraged and not excluded from access to the corporation.

Interstate and overseas industry ought to be attractive, but the effect of the clause will be that industry throughout the world, in every part of the world—whether in Russia, China, Taiwan, New York, Iran or Sydney—will have the opportunity and the right of access to a Victorian Development Corporation loan. But all those manufacturers associated with the Victorian Chamber of Manufactures that already operate here will not have access unless they choose to decentralize. If they wish to expand within the metropolitan area they will not have that right of access. As I said, the clause discriminates against those industries in the metropolitan area that wish to expand, and therefore I seek to include the words "interstate and locally".

The Hon. D. G. CROZIER (Minister for Local Government)—A surprising degree of agreement is manifest between myself and Mr White tonight. At least I agree with the first part of his observation that the clause is discriminatory; it is intended to be so. It is not intended, however philosophically desirable it may seem, for the corporation to become an industrial bank. It is discriminatory for the reasons I have outlined.

I have confessed some reservations about this expansion because the key to success, apart from the dedication and expertise of the members of the corporation, has been this precise function. Any expansion in the charter of any organization has some risks attached to it.

If Mr White's amendment is accepted it will mean that local industry would have a claim to corporation assistance and funds even though it did not intend to decentralize or export, and that, frankly, would be a recipe for ineffectiveness. There is no way that the corporation could effectively function with the resources it has or is likely to have if the charter were expanded in that form, and indeed, it would be inimical to certain prime policies of the Government and principally to the decentralization thrust.

The other point that Mr White apparently overlooked is that the expanded charter speaks of investment opportunities on the one hand and export marketing on the other. Although this has been a function of the Department of State Development, Decentralization and Tourism and because it is felt that this can be handled more appropriately by the Victorian Development Corporation, it nevertheless has the same function, and that is of attracting fresh investment. The Government is not going to be discriminatory about this. Mr White painted a somewhat horrendous scenario of industries flooding in from all over the place, but I do not think that is likely to happen. However, if we receive an inquiry from Iran or Peking I dare say it will be given courteous and sympathetic attention by the corporation.

The Hon. W. A. Landeryou—Does that mean you recognize China?

The Hon. D. G. CROZIER—While we are talking of industries from interesting places, under this clause of the Bill——

The CHAIRMAN (the Hon. W. M. Campbell)—No, on the amendment!

The Hon. D. G. CROZIER—On the amendment, one of the reasons the Government rejects the word "locally" proposed in the amendment is the emphasis that ought to be placed on interstate capital, and I was going to remind the House, prompted by the interjection from Mr Landeryou, that the Victorian Premier recently had an extremely successful trip to the People's Republic of China.

I have endeavoured to delineate the expanded functions of the corporation and to give the reasons why the amendment proposed by Mr White to clause 3 is not acceptable.

The Committee divided on the question that the words proposed by Mr White to be omitted stand part of the clause (the Hon. W. M. Campbell in the chair).

Ayes	24
Noes	12
Majority against the amendment ..	12

AYES

Mr Baxter	Mr Lawson
Mrs Baylor	Mr Long
Mr Crozier	Mr Radford
Mr Dunn	Mr Reid
Mr Evans	Mr Saltmarsh
Dr Foley	Mr Stacey
Mr Granter	Mr Storey
Mr Guest	Mr Taylor
Mr Hauser	Mr Ward
Mr Hayward	
Dr Howard	*Tellers:*
Mr Jenkins	Mr Bubb
Mr Knowles	Mr Hamilton

NOES

Mr Eddy	Mr Trayling
Mr Kennedy	Mr Walker
Mr Kent	Mr Walton
Mr Landeryou	
Mr Mackenzie	*Tellers:*
Mr Sgro	Mr Butler
Mr Thomas	Mr White

PAIR

Mr Wright	Mrs Coxsedge

The clause was agreed to, as was the remaining clause.

The Bill was reported to the House without amendment, and passed through its remaining stages.

PERSONAL EXPLANATIONS

The Hon. W. A. LANDERYOU (Doutta Galla Province)—I wish to make a personal explanation on behalf of three members of the Parliament in another place, namely, the honorable members for Niddrie, Knox and Bundoora—Messrs Simpson, Crabb and Cain.

I refer to *Hansard* of 29 November 1979, a copy of which only quite recently came into my possession. On page 5277, there is a report that Mr Glyn Jenkins asked you, Mr President, this question:

> My question without notice is directed to you, Mr President, in your capacity as Chairman of the Library Committee of this Parliament. Are you aware of the release by three members of the Opposition in another place, Messrs Simpson, Crabb and Cain, of information contained in documents which were laid on the table of the Library by Mr Thompson, Treasurer and Minister for Police and Emergency Services? I ask if the action of those members was a gross and deliberate abuse of the rules regarding the tabling of documents and whether you, Sir, or the Library Committee will give consideration to examining the rules and procedures in regard to Ministers laying documents on the table of the Library.

I take this matter seriously, Mr President, even if other honorable members do not. Mr Jenkins, as a member of this House and Parliamentary Secretary of the Cabinet, had an opportunity of verifying the assertions he was about to make by walking some twenty-odd steps to the Parliamentary Library. I have a document from the Library given to me by one of the accused, and it is headed——

Honorable members interjecting.

The Hon. W. A. LANDERYOU—Mr President, this House recently carried a motion referring assertions made by a member of this House to a Select Committee, and I am spending a considerable time on that committee trying to ascertain the truth, justification or otherwise of those assertions, and I

believe the matter I am raising is equally as serious and honorable members should be prepared——

The Hon. H. R. WARD (South Eastern Province)—On a point of order, Mr President, is it possible for another member to make a personal explanation on behalf of a member of this House or a member of another House?

The PRESIDENT (the Hon. F. S. Grimwade)—I am advised that when members of another place are accused of certain actions in this House, it is appropriate for that to be taken up by a personal explanation by another member of this place.

I refer honorable members to Standing Order No. 120 which provides:

> By the indulgence of the Council a Member may explain matters of a personal nature, although there be no question before the Council; but such matters may not be debated.

The Hon. W. A. LANDERYOU (Doutta Galla Province)—Mr President, as I say, the Labor Party takes this matter seriously because the document I was referring to is from the Victorian Parliamentary Library Information Service. It has been handed to me and it is headed "File: Tattersall's Beneficiaries—28 November 1979" and there is listed in the writing, I assume, of the Librarian:

> Simpson—x
> Cain—x

I understand the "x" signifies that neither of those members at any stage went into the Library to look at that file. The next entry is:

> Crabb—29 November 1979 at 10.20 a.m.

Mr President, Mr Jenkins asked his question, according to the *Hansard* record, on 29 November, the same day the Victorian Parliamentary Library Information Service provided this assistance. On 29 November, you, Mr President, took the chair, according to page 5276 of *Hansard*, at 11.18 a.m. Of course, Mr Jenkins, so well informed, within minutes of your occupying the chair on that same morning, was able to ask you, "Are you aware of the release by three members". Clearly, neither of those members who have been so grossly misrepresented by Mr Jenkins——

The Hon. Haddon Storey—Mr Jenkins did not say that they did.

The Hon. W. A. LANDERYOU—I am coming to that point. What Mr Jenkins said was, "Are you aware of the release by three members". The reality is that Messrs Simpson, Cain and Crabb were not in a position, at that time, to have obtained the information from the Library.

The Hon. Haddon Storey—They released the information.

The Hon. W. A. LANDERYOU—Mr Jenkins said:

> I ask if the action of those members was a gross and deliberate abuse of the rules regarding the tabling of documents.

Of course, Mr Jenkins was referring that question to you, Mr President, in your capacity as Chairman of the Library Committee.

It may well be that someone might want to debate the point that the Attorney-General has taken in an endeavour to obtain some comfort.

I raise this matter under a procedure which is allowed in this House, in the interest of fair play and particularly in the interest of justice for those three members of another place, who are not permitted under the rules that govern that other place to refer to the document to which I have just referred.

The reality is this is the first opportunity to consider the question asked by Mr Jenkins because of the delay in printing *Hansard*. The Labor Party raises this matter because it believes those three members have been grossly and most improperly misrepresented by a member of this House who was too lazy or too incompetent to check the facts.

It is a matter of record that Mr Jenkins did not check with the Library, nor did he check with any of the three members of Parliament. With respect to matters that I have raised or intended to raise concerning either members of this House or another place, I have raised those matters with them privately in an endeavour to ascertain the truth. Mr Jenkins took no such course. He neither

checked with the Library nor with the individuals and, therefore, the three who have been so maligned under the protection of the House are deserving of an unqualified apology.

The Hon. GLYN JENKINS (Geelong Province)—Mr President, I wish to make a personal explanation. I have listened to the matter raised by Mr Landeryou and it is my belief he has taken a rather pedantic view of the matter that I raised.

On the morning of 29 November, I, in common with other members of the House, received a copy of the *Age* and on page 18 there is a report by David Wilson and the heading is, "Profiting, with a will" in the series called "Background" and the second column of that article states, *inter alia:*

> Yesterday, three Labor front benchers, Mr Simpson, Mr Crabb, and Mr Cain, copied the list of the 186 beneficiaries entitled to a slice of the 80 per cent of the profits.

The article then goes on to detail the lists. The article alleges those members copied the list. The article states that the names of some beneficiaries "appear twice in the list supplied by the ALP".

If one turns to the question I asked in *Hansard* on 29 November, one would find that I did not refer to who sought the information from the Library. I merely asked, *inter alia:*

> Are you aware of the release by three members of the Opposition in another place——

The Hon. W. A. Landeryou—Do you still assert those three members released that information?

The PRESIDENT (the Hon. F. S. Grimwade)—Order! This is a personal explanation by Mr Jenkins. He will be heard in silence.

The Hon. GLYN JENKINS—I am quoting from *Hansard* at page 5277.

The Hon. W. A. Landeryou—Do you have the courage to answer the question?

The PRESIDENT—Order! I will have to name the Leader of the Opposition. I asked him not to interject.

The Hon. GLYN JENKINS (Geelong Province)—The Leader of the Opposition made rather serious allegations about the action I took on that date and demanded an apology. I believe it is my right and duty to defend myself in the House. I did not interject when Mr Landeryou was speaking and he ought to extend the same courtesy to me. The question I asked is reported in *Hansard, inter alia:*

> Are you aware of the release—

And I emphasize the word "release":

> by three members of the Opposition in another place, Messrs Simpson, Crabb and Cain, on information contained in documents which were laid on the table of the Library by Mr Thompson, Treasurer, and Minister for Police and Emergency Services?

Mr Landeryou has made certain allegations as to who actually obtained the information available from the Library. I was talking about the release of the information. I have been reading the *Age* every day and there has been no disavowal by any of those gentlemen, Messrs Simpson, Crabb or Cain, that they actually released the information. There has been no denial that the Australian Labor Party made those lists available.

Contrary to what Mr Landeryou said, any of those members could indeed have raised the matter in another place, but they have not chosen to do so. That is my understanding of the present——

The Hon. W. A. Landeryou—You are a coward.

The Hon. GLYN JENKINS—Would you like to repeat that?

The PRESIDENT (the Hon. F. S. Grimwade)—Order! I ask the Leader of the Opposition to withdraw that remark.

The Hon. W. A. LANDERYOU (Doutta Galla Province)—I have no intention of withdrawing it. Mr Jenkins, clearly, is being quite cowardly.

(Naming and suspension of member)

The PRESIDENT—I have no alternative but to name the Leader of the Opposition for wilfully disregarding the authority of the Chair. I call upon the honorable member to make any explanation or apology that he sees fit.

The Hon. W. A. LANDERYOU—With the greatest deference to you, Mr President, and the position you occupy, I am not in a position to withdraw the allegation.

The Hon. GLYN JENKINS (Geelong Province)—I would make an appeal to Mr Landeryou——

The PRESIDENT (the Hon. F. S. Grimwade)—Order! I name Mr Landeryou and I ask the Minister in charge of the House to take the appropriate action.

The Hon. HADDON STOREY (Attorney-General)—I move:

That Mr Landeryou be suspended from the service of the Council for the remainder of the sitting.

The House divided on the motion (the Hon. F. S. Grimwade in the chair).

Ayes	25
Noes	11
Majority for the motion	14

AYES

Mr Baxter	Mr Knowles
Mrs Baylor	Mr Lawson
Mr Bubb	Mr Long
Mr Campbell	Mr Radford
Mr Crozier	Mr Reid
Mr Dunn	Mr Saltmarsh
Mr Evans	Mr Stacey
Dr Foley	Mr Storey
Mr Granter	Mr Taylor
Mr Hamilton	Mr Ward
Mr Hayward	*Tellers:*
Dr Howard	Mr Guest
Mr Jenkins	Mr Hauser

NOES

Mr Butler	Mr Thomas
Mr Eddy	Mr Trayling
Mr Kennedy	Mr Walker
Mr Kent	*Tellers:*
Mr Mackenzie	Mr Walton
Mr Sgro	Mr White

PAIR

Mr Wright	Mrs Coxsedge

The PRESIDENT (the Hon. F. S. Grimwade)—I ask Mr Landeryou to leave the House immediately.

(*Mr Landeryou withdrew from the Chamber*)

The personal explanation by Mr Jenkins was resumed.

The Hon. GLYN JENKINS (Geelong Province)—Before the division I was discussing the release of documents by Messrs Simpson, Crabb and Cain. The report in the *Age* indicated that those members had copied lists and the article went on to provide the lists of beneficiaries which appear twice. The article concludes, *inter alia:*

The names of some beneficiaries appear twice in the list supplied by the Australian Labor Party.

I stick to the assertion I made before, that the list appears to have been made available by the Australian Labor Party and none of the three members of another place concerned have sought to deny either in another place or in the *Age* that they made the information available.

When one considers the tabling of documents in the Library, that is a practice which is availed of in different Parliaments by Ministers. When documents are tabled in the Library, specific rules apply and members have observed certain practices in the past.

If a member believes something is wrong or irregular, that member has a number of courses open. The member can ask a question of the Minister or seek from the Minister the file or copies of the file. Over the years information from files and letters has been made available to members of both Houses in a number of ways.

However, with regard to the question of tabling of documents in the Library, practices have been observed over the years. If a member believes something is wrong or irregular, the tabling of files or documents in the Library enables that member to inform himself or herself of the information contained therein.

An honorable member is then in a position of being able to confirm or deny or satisfy himself that the allegations or beliefs are correct. If he finds that the information in the files is correct and that his beliefs have been substantiated, he can take a number of courses. If he is able to satisfy himself that nothing is wrong, the file remains there and finally goes back to the Minister. In those circumstances the information in the file is not made public.

On the other hand, if the honorable member believes the information substantiates his beliefs, the practice in the past has been to make that information available in a House of Parliament. It can be done by alluding to certain facts and asking a question; the information can be used in a motion for the adjournment of the House; or in a substantive motion in the House; or it can be used in the debate on the motion for the adjournment of the sitting.

Using the information in that file, the honorable member can seek to substantiate his allegations. There is a keen difference between making the information available in that way and asking someone else to obtain the information from the Library, and then giving it to the press. If the Minister had intended that the people who sought the information should have it, the Minister would have given them the file or made it available to the press. I believe it was an abuse of the rules and the spirit of the practice of this Parliament in laying documents on the table of the Library. I suppose it is unfortunate that the events of this evening have occurred which probably were the result of a rather long sitting of the House and the fact that people are becoming rather tense.

I do not propose to apologize. The Australian Labor Party has not denied that it released this information that its members were seeking for many months. I think they are disappointed but the names released did not have any particular relevance; otherwise they would have brought up the matter. If we are to preserve the rights of members of this place, and if the Ministers and the Government desire to make information available to the press, we must observe the rules and practices; otherwise Victoria will be like some other States in Australia where one cannot obtain information at any price unless it is leaked out. This Government and its Ministers have been rather generous in making available documents and files particularly to members of the Opposition. If they had not been so generous——

The Hon. E. H. WALKER (Melbourne Province)—I raise a point of order. I believe Mr Jenkins has made his personal explanation abundantly clear. He is now reiterating and debating the issue.

The PRESIDENT (the Hon. F. S. Grimwade)—I find no point of order.

The Hon. GLYN JENKINS (Geelong Province)—I was asked for an unqualified apology. I have been in this place for almost ten years and am rather proud of the Victorian Parliament and I try to observe the rules and practices of it. If honorable members abuse the practices and rules, the place will not be worth two bob. I was sincere in asking that question and I received an answer from you, Mr President, which I believe was also sincere. As reported at page 5278 of *Hansard,* you referred to the rules and what was against the intent of making the information available. I see no need for me to make an apology and I believe if it happens again I will take exactly the same action.

INDUSTRIAL RELATIONS BILL

This Bill was received from the Assembly and, on the motion of the Hon. HADDON STOREY (Attorney-General), was read a first time.

PUBLIC WORKS AND SERVICES BILL

The debate (adjourned from November 29) on the motion of the Hon. D. G. Crozier (Minister for Local Government) for the second reading of this Bill was resumed.

The Hon. R. A. MACKENZIE (Geelong Province)—This Bill seeks approval for appropriations totalling $4 277·933 million from the Works and Services Account. It is a Bill to which members of the Labor Party do not offer any Opposition but it is of immense magnitude and the Labor Party has serious misgivings about it in many respects. We are concerned at the presentation of the Bill, about the priorities of spending and about the failure of the Bill to provide for the much needed recovery of the economic situation in Victoria.

The Victorian Government and its Federal counterparts seem unable to realize what an important part the building industry plays in a viable economy. I have been associated with the building industry for 30 years and during that period I have been made aware how closely attuned the building industry is with the economic conditions of the time. I have been through numerous boom periods and numerous slack periods and whenever there is a downturn of the economy, the first industry that feels the change is the building industry. However, when the building industry is booming and viable, so is the rest of the community. It appears that they go together.

Despite the huge amount of money that will be laid out under the provisions of this Bill, it is disappointing because in real terms Victoria has gone backwards. In its policy speeches the Labor Party espoused that this was the key to the recovery of Victoria and the party talked about idle cash reserves in the State bodies that would be used if the Labor Party was in Government to stimulate this important industry.

Members of the Government Party fail to realize that when the building industry is stimulated the money does not go merely into the pockets of carpenters, plumbers, electricians and builders; it flows right through the community, because the buildings, especially large public buildings, are extremely complex and use many types of materials, all of which must be manufactured, supplied and transported. The money spent in the building industry does not just prop up that industry; it stimulates the whole of society.

The allocations provided in this Bill should have been greater than those of last year instead of lower. As has been pointed out by the Minister, 95 per cent of the work carried out in the building industry under these allocations will be done by private enterprise, which bears out my point that a larger allocation would have provided the necessary stimulant to the Victorian economy. It was with much disappointment that the Labor Party went through the Bill. Its presentation shows some serious flaws in the Government's administration. It shows that the Government has become subservient to some of the major statutory bodies. It indicates that the Government has been in power too long and that the statutory bodies are now dictating policy to the Government and the Government seems powerless and ineffective to control the finance of the State.

I believe every honorable member received in the mail this booklet entitled 1979–80 *Victorian Budget Effects on the Building and Construction Industry* which was put out by the Minister of Public Works on 11 October 1979. Naturally every member of the Labor Party was interested in the document because they had been waiting for the outcome of the Budget for some time. The title of the document is misleading. It implies that it is an economic analysis of the State's capital works programme. The document contains tables of accounting aggregates in nominal language in real terms but does not refer to the building and construction industry, let alone heavy engineering, metal manufacturing and so forth. Little new information is provided. The document is 22 pages long, and 12 of those pages are extracts from the recent Budget speech. They are even typed in a different manner. All that has been done has been to pluck 12 pages from the Budget speech dealing with the works programme and include them in the document.

A further four pages are introductory waffle. That leaves only four pages of information not previously available. Therefore, this so-called public relations document really consists of four pages of information. On page 5 there is a comparison of the use of capital funds by the public sector for the year 1978–79 actual, and 1979–80 estimated. There is an entry called "Other Public Works and Services" which forms the second largest aggregate—$336 million. The $336 million are all lumped together in Other public works and services. No detail is given of what these other public works and services are. Yet there are other smaller items like

Forests which has $20 million that is itemized, but the lump sum of $336 million is in one category. There is nothing to say what it comprises. Very nice tables are set out in the document but if one examines them for the increases and decreases in the areas described on the assumption that there will be a 10 per cent increase in the inflation rate this year—I do not think any member even on the Government side would disagree with the precentage as it is a conservative estimate.

The nominal and real percentage increases for all categories are as follows: For roads, there is a nominal change of plus 10 per cent. The inflation rate has risen by 10 per cent so there is no real change in the allocation for roads. Electricity has changed because the nominal figure is plus 23·7 per cent which gives an increase of plus 13·7 per cent; school buildings are disappointing with a nominal change of minus 11·7 per cent which gives a real change of minus 21·7 per cent; hospitals, including mental hospitals, there is a nominal change of minus 1·1 per cent or a real change of minus 11·1 per cent; railways, including MURLA, a nominal change of plus 7·5 per cent which is a real change of minus 2·5 per cent. If we split the allocation up between the railways and MURLA the nominal change for the railways is minus 7·1 per cent with a real change of minus 17·1 per cent. The nominal change for MURLA is plus 23·3 per cent, with a real change of plus 13·3 per cent.

For the list which includes forests, the Melbourne and Metropolitan Board of Works, the Housing Commission, is minus 24·4 per cent which gives a real drop of plus 34·4 per cent. Overall there is a nominal change of plus 7 per cent which means a minus 3 per cent cut in total Government spending.

That is why this Appropriation Bill will not stimulate the economy or provide the necessary incentive for recovery. That is why it is such a disappointing Bill. Although the document has only four pages of information, pages 6 and 7 allow comparisons of sources of capital funds by the public sector for the year 1978–79 actual and 1979–80 estimated. Six different sources of funds are identified but they can usefully be divided into the more traditional sources, namely, Works and Services Account, the Commonwealth Special Purpose Grants and Loan Council borrowings; and less traditional sources, namely, trust funds, internal funds and other sources.

Faced with a Canberra-induced increase of only $17·6 million from more traditional sources, an increase of 1·4 per cent, the State Government has managed to siphon an extra $106·5 from less traditional sources, an increase of 19·2 per cent. Can this be the idle reserves that the Government said were not there at the last election?

The Government said it had used every dollar, but somehow when the chips were down it could siphon off $106·5 million from less traditional sources. Despite the fact that the document contains only four pages of information it is interesting.

When one looks at the total nominal and real percentage changes in the traditional and less traditional sources, the traditional sources show an increase of 1·4 per cent or a real change of minus 8·6 per cent, when 10 per cent inflation is deducted. In the less traditional sources there was a nominal change of plus 19·2 per cent or a real change of plus 9·2 per cent.

Every category except electricity has been cut back in real terms when the more traditional sources of funding are considered. Apart from electricity, those categories experiencing real cutbacks or insignificant rises from less traditional sources of funding happen to be ones most closely associated with Government departments and budgetary control, namely, roads, forests, Housing Commission and school buildings.

Statutory authorities with more access to less traditional sources of finance have been able to offset real decreases in funding from more traditional sources.

The borrowing programmes of all local government authorities are obviously included but their expenditure from internal funds or other sources is

not explained in the document. Page 10 of the document contains a comparison of capital works programmes under the control of the Public Works Department, along with that department's operating budget for 1978–79 actual and 1979–80 estimate.

That brings us to another interesting point contained in the document. The department's capital works expenditure has fallen by $14 million, from $186·4 million to $172·4 million, a decrease of 7·5 per cent. At the same time the department's operating budget has risen by $5 million, from $56·2 million to $61·2 million, an increase of 8·9 per cent.

That is strange, because the Minister says there is more efficient management and the maximum regard for cost consciousness in his department and yet the department spent 8·9 per cent more to administer 7·5 per cent fewer programmes. It is strange that the Minister should tell us how efficient his department is when in actual fact it is doing less and costing a lot more.

On page 1 of the document the Minister speaks of "stimulatory decisions" taken in conjunction with the 1979–80 State Budget. What stimulator decisions? The Minister claimed that:

> the State Government has taken every possible measure to maximize the Works Programmes of Departments and authorities.

That is open to discussion and criticism. It is not so. When one sums up the documents and the figures I have been discussing the departments are down 14 per cent in their spending but the authorities are up by 15·7 per cent. Every department has been cut back and every authority expanded. There has been a total reduction of 2·6 per cent in real over-all capital expenditure. Departments will control only 22·3 per cent of total capital outlays in 1979–80, compared with 27·9 per cent in 1978–79.

Every department has cut back on external finance but only four of the eleven authorities have been treated in this way, so it appears that the authorities have been able to dictate to the Government and ensure that they have a reasonable increase in the expenditure of the departments where so much needed work is to be done.

The Hon. E. H. Walker—Mr President, I draw your attention to the state of the House.

A quorum was formed.

The Hon. R. A. MACKENZIE—Honorable members were impressed with this information document and having finally analysed it, after a month we received a letter in our box to say that the figures were wrong and had to be revised. The document lasted a month and had to be revised. That is typical of this Government and its shoddy attitude to very important matters.

It should be realized that we are talking about almost half a billion dollars. If we were a board of directors administering a private company with assets of half a billion dollars I am sure that if the accountants came to us with an annual report like this and then said a month later that the first annual report was wrong and they would have to change it, we would get rid of the accountant or the board of directors.

Let us look at some of the changes indicated in the document. I am not being niggling or pinpricking about little sums. I am not that sort of person but one should look at some of the aspects. We will first of all take the 1978–79 alteration and we find that the Melbourne and Metropolitan Board of Works remained the same—it took $3 million for works and services because it found it had not been spent but it came from internal and other funds. School buildings is interesting. The figure was out by $14 million.

The sum for hospitals was out by $1 million—$1 million more than they thought had been spent. The figures for the country water supply was out by $9 million and the figure for railways was up by $1·7 million. In the figure for housing $1·59 million more had to be spent and on roads $4 million more. In other categories which are not given there was $23 million less. Out of this 1978–79 programme the Government made a slight discrepancy

of $33 million. If this were a private company, and even if it were only $3300 out, the board of directors would want to know why. Is this good Government? Is this the way a responsible Government operates? It does not sound like it to me. These figures are factual. What sort of Government is in office when there is $33 million down the drain? There is also a revision of the 1979–80 figures and again there is a slight mistake. That was down $41 million. It is incredible that the Government claims to have good management. Honorable members heard all the marvellous things said in the previous debate about this great State and how it is going to attract overseas interests here. I know why Victoria cannot get overseas interests here—it cannot run its own books.

When one considers the accounting system involved in the public works, one has grave doubts about the way the Government is running things. It is no good trying to dress up the position with glossy covered reports. There are nice booklets with attractive covers, and the Government thinks that if it puts out glossy brochures it can cover up everything. However, it cannot cover up $41 million.

The Hon. W. R. Baxter—The Budget summary does not tell you much.

The Hon. R. A. MACKENZIE—That is so, and that is another thing. The covers are great, but there is nothing inside them. That is an indication of the type of Government that we have; it looks all right on the outside, but there is nothing much on the inside.

Another document which also could be classed as a bit of a joke if it were not for the fact that almost $500 000 is hanging on it, is the second-reading speech of the Minister. There are some interesting items in it. On page 1 of the Minister's speech he referred to a hospital building programme, and this has been cut back. It has been cut back to the detriment of the province that I represent. Government members came down to Geelong before the last election and said that the Geelong hospital building programme would continue. Most of the Geelong people were awake, but some still believed the Government would honour its promises However, the hospital programme in Geelong has been cut and the hospital will have to finance that programme itself.

On page 2 of the prepared second-reading speech, the Minister said:

> An explanatory statement has been circulated with the Bill for the information of honorable members. The statement sets out for each item in the table the proposed expenditure in the current financial year compared with actual expenditure in 1978–79, as well as the proposed provision in the Bill. An explanatory memorandum containing explanations of the content of each Item and details of proposed expenditure in 1979–80 to assist members in their consideration of the Bill, will be made available as soon as it is available from the Government Printer.

That is a bit of a joke. The explanatory memorandum did not help honorable members to understand the Bill.

On page 3 of the second-reading notes, the Minister referred to a stimulatory decision. I cannot see how a cutback can be described as a decision that will stimulate anything, because with the present inflation rate there is a reduction in real terms of 3 per cent. If the building industry is not currently a ball of fire, I do not think a 3 per cent cut will help to stimulate it. The only amount that has been increased is the allocation for heavy engineering, and I refer particularly to the State Electricity Commission's funding for the extension of power from Geelong to Portland.

At page 4 of the Minister's second-reading speech, he speaks about the tendering system in these terms:

> In introducing this matter, I would like to say that the Public Works Department has had a long, successful history in Government building and construction works and, in so doing, has developed, professional, technical and administrative skills and expertise, unmatched by any other department or agency of the Victorian Government.
>
> I am pleased to say that my department is an acknowledged leader in the application of energy conservation principles in building design and operation.

And here is the punchline:

> It has operated a highly successful competitive tendering system for many years and is currently introducing a registration process for minor works contractors.

Honorable members know all about that fine tendering system because, as late as March 1978, as much as $75 million went in one year to single-tender contracts. What sort of tendering system is that?

The Hon. N. F. Stacey—How many companies folded?

The Hon. R. A. MACKENZIE—That has nothing to do with it. I am speaking of wasting public funds, not about how many companies went broke. Mr Stacey missed the whole point of my argument. The interesting point is that the Minister said that the Government is introducing a registration process for minor works contractors. I had a report only two weeks ago that a tender had been let for $69 000 to a tenderer who currently has three Supreme Court writs against him for non-payment of sub-contracts. It is to be hoped this registration process for minor works contractors is proceeded with quickly because that is another area in which this department has fallen down badly.

In the last paragraph on page 5 of the second-reading notes the Minister said:

> I am ensuring that my department's resources are no larger than necessary to sustain high level performance and accountability for the Government's building programmes and that private sector resources are used for a substantial share of the over-all work load.

Earlier, the House was told that the department's spending is up 8·9 per cent to administer a programme depleted by 7·5 per cent. I do not know how the Minister can honestly say that he is trying to contain his department.

At page 6 of the Minister's second-reading notes, the honorable gentleman stated:

> I would like to emphasize the objective of my department to provide the most extensive advice possible to clients at the early stages of preparation of project briefs. Needless to say, uninformed clients and confused or unclear project requirements can be a major problem for a construction authority such as the Public Works Department. It is usual for the Public Works Department to make a substantial contribution to the actual brief preparation and to stimulate client thinking in this matter. It is, however, the role of the client to specify and take final responsibility for the definition of project requirements.

That is just not happening. It may be happening in some areas, but I have had several complaints about clients' wishes being completely disregarded. In the social welfare area in Geelong, and in the new State Public Offices, the wishes of clients were completely disregarded. The Public Works Department put in partitions and set up a whole office against the wishes of those concerned. I have had other complaints of a similar nature, and for the Minister to say this when it is not occurring, leaves a lot to be desired.

At page 7 of the Minister's speech, there are two items to which I shall refer. The Minister said:

> There will be a parallel running of manual systems with "WREN" recently commenced and at present it is anticipated that complete changeover will occur about July 1980.

This "WREN" system is a computer programme which will help in the payments to contractors. It will also enable the department to keep computer checks on any project within the department. I have been there and had a demonstration by the director. It will be of tremendous help to the department because, at a moment's notice, the director, or officers of the department, by using the computer can have an exact assessment of any public works programme at any time. This is a step forward, because it is another area of complaint that some contractors are waiting up to twelve months for payments of contracts that they have carried out for the Public Works Department.

It is disgraceful that a Government body should set such an example, as many small contractors have gone to the wall because of failure of Government departments to pay them on time. Many small contractors cannot afford to have $5000 or $10 000 outstanding. They cannot afford to wait because they have not got a great deal of capital behind them. They are trying to do their bit in the free enterprise system, and have invested their life savings to start a sub-contracting business. It is hoped the introduction of this system will do a lot to alleviate this aspect.

Also on page 7 of the Minister's second-reading notes, it is stated:

> In addition to looking towards increased responsibility in areas such as the construction of hospitals, day training centres, arts centres and tourist projects, my department is available and is ready to contribute significantly to building projects for instrumentalities, few of which can claim to parallel its overall building construction skills.

That is interesting because the Minister makes a criticism of the present set-up. I agree with the Minister in this regard because the Minister goes on almost to quote Australian Labor Party policy.

The Minister also said:

> Since becoming Minister of Public Works, I have been confronted with the same situation faced by my predecessors with the trend for the traditional functions of the Minister of Public Works to be eroded by Government statutory bodies—

I made this point earlier. When one examines the figures, one finds that they reveal that statutory bodies are expanding and departments are being cut down. The statutory bodies are dictating to the Government. The Minister continued:

> acquiring authority to manage their own building and construction function. In my view, this can only lead to increased fragmentation of Government building and construction programmes, increased contractual problems and reduced efficiency in overall terms. The building and construction industry in a high risk industry and exposure of amateurs to these risks invites major problems.

I agree with the Minister. The Labor Party believes all public works should be performed by the Public Works Department. Many of the statutory bodies have their own architects and carry out their own capital works programmes completely independently of the Public Works Department. That leads to a duplication of effort and staff and the Minister is quite right in his criticism. I could not agree more.

In discussing the Victorian Public Offices Corporation, the Minister said:

> Since the corporation's inception, $4·15 million has been realized for this purpose and credited to the Public Offices Fund to assist in the provision of public offices.

That is all very well, but what has happened, especially in the construction of the Geelong Public Offices? I know a little about that contract because I did the plumbing design on the job and I am aware of the way in which the contract was handled. The original cost, estimated on the basis of the sketch plans was $7·5 million. When the final plans were drawn up, the cost was expected to be a little more than $8 million. That is fair enough, because it is hard to make an accurate estimate from sketch plans; but the final figure was more than $10 million. Somewhere along the line there was an increase of $2 million, which was a waste.

In relation to coastal engineering and foreshore protection, the Minister said:

> coastal engineering and foreshore protection works, excluding local areas controlled by the Port of Melbourne Authority, and the Geelong and Portland Harbor Trusts. These responsibilities include the Port of Westernport.

He continued:

> I am pleased to advise that the sidecasting dredge *April Hamer* is operating efficiently and has proven a valuable acquisition to the Division's operations.

It may be operating efficiently, but I have received complaints. Only last week I received a complaint from the people of Rosebud, who claim that their boat harbour is silted up. They have tried for months to have the silt removed by the dredge, but their representations have been to no avail. A news item appeared in the Geelong *Advertiser* only a fortnight ago indicating that the fishermen of Queenscliff are suffering a similar problem. The dredge is doubtless operating efficiently somewhere, but it is certainly not in Rosebud and Queenscliff.

These aspects of the second-reading remarks of the Minister deserve the comments I have made. I realize that the Public Works Department is a huge department; it is probably one of the largest Victorian Government departments. No department is beyond making mistakes because all departments are run by humans and human beings are fallible. All I am concerned about is the size of the mistakes. The Opposition believes the mistakes made by this department must be rectified.

The Bill is important, but it is disappointing to the Labor Party and to me. I imagine it is bitterly disappointing to the building industry and the people of Victoria. Through the Bill, the Government had the opportunity of doing something about the present state of the economy. There is a psychological aspect to economic downturns. To turn them around, one has to create an atmosphere in which people gain confidence and do not simply put their money into savings bank accounts. The right sort of atmosphere has been created in New South Wales, where the Government has used statutory funds to embark on an ambitious building programme. That has stimulated the economy and anyone who visits that State will find it is vibrant and on the move.

Victoria could also be in that condition. It could be leading Australia. It has men of ability, although not in the Government. Nonetheless, there are people on the Opposition side of the House who are ready to take up the reins. I reiterate that the opportunity was there; it has been missed. I hope the Government will take notice of what I have said and go back to the drawing board in an endeavour to present the people of Victoria with something better than this Bill.

The Hon. W. R. BAXTER (North Eastern Province)—This is essentially a Committee Bill and I shall be fairly brief in my remarks on the motion for the second reading. I shall take the opportunity, during the Committee stage, of making particular comments. As Mr Mackenzie said, the Public Works Department is one of the major Government departments, particularly in terms of expenditure, and therefore the Bill is important.

The Minister was quite philosophical in his second-reading speech and did what many Ministers do—he patted himself on the back. He made precisely the same remarks last year when expressing concern about the tendency of some statutory bodies to engage in their own building programmes. I wonder what the honorable gentleman has done over the past twelve months to overcome what he and Mr Mackenzie see as a problem. I am not too sure it is a problem, bearing in mind the persistent breakdown in communication between the department and its clients.

I have often wondered, particularly in relation to the Education Department, whether Victoria might not have been better off if more departments had their own construction branches. I am sure all honorable members have had the same experience as I. I have received complaints from school principals, councils, parents and regional directors of education about some of the appalling errors made by the Public Works Department. Some of them are minor and are caused by a lack of communication, but they are frustrating and annoying for the people who are in the field trying to provide a service. Some of them are major, and it can cost substantial sums of money to rectify them. The internal management in the department has improved, but there is still a long way to go.

I was intrigued to notice the parallel thinking of the Minister and the leading spokesman for the Opposition on the Bill. I might be the odd man out.

The Hon. E. H. Walker—That is not unusual.

The Hon. W. R. BAXTER—As Mr Walker says, members of the National Party have a great reputation for being realists. They have been proved right on most occasions and this will probably be another one. I shall also comment on the Minister's attempted justification for allowing offices to remain empty while paying high rents. I understand that it takes some time to have offices put into the configurations required by client departments, but from time to time there have been some dreadful examples of waste in that offices have been leased at substantial rents but have been left unoccupied for many weeks. I suppose one should at least be grateful that the Minister has referred to the matter as he is obviously aware of the problem. I hope he does something about it.

It never ceases to amaze me that Government departments find it necessary to ensconce themselves in the most expensive real estate in Melbourne. Every time I go to Nauru House to visit the Education Department the same point comes to my mind. The staff of the department are squashed into the building like sardines in a tin can. I do not know why they have to be there. Why could they not be in a building a little farther out of the central business district that would offer twice the floor space at half the rental? It would make for far more efficient working.

I notice that the Minister is about to locate another department in a building in Bourke Street in what will obviously be high-priced floor space. I know of no reason why that department should be located there.

The Hon. E. H. Walker—It is a criminal waste.

The Hon. W. R. BAXTER—I am inclined to agree with Mr Walker's remark. I support Mr Mackenzie in his reference to the fact that too often the Public Works Department is a slow payer. Many of the sub-contractors employed by the department are small traders or small businesses. They have liquidity problems and a regular cash flow is essential to them. Many examples have been brought to my attention and many sub-contractors have had to wait months to be paid. I shall cite only one example and it involves my electorate office. A small firm was employed by the Public Works Department to repair the air conditioning. The repair cost $368 but it took 97 days from the time the account was rendered for the department to pay.

The Hon. E. H. Walker—That is quick.

The Hon. W. R. BAXTER—It may well be, but for a small business to have to wait that long to get its money is disgraceful, to say the least. In terms of the department's over-all expenditure, the sum involved was extremely minor, but it was significant to the small businessman's cash flow and his justification to his bankers.

The Hon. E. H. Walker—And he cannot afford to complain because he might not get any more work.

The Hon. W. R. BAXTER—That may be a factor. Another matter to which I shall allude while discussing air conditioning is the propensity the Public Works Department has for air conditioning every building. There is a classic example in the Parliamentary dining room, where honorable members used to be able to enjoy fresh air during the spring time while they dined. Someone had the brilliant idea of installing air-conditioning in that room. I agree that, in the middle of summer, it is quite useful, but why it was necessary to make the windows immovable so that now the air-conditioning is needed practically the whole year at great cost is beyond me.

I recently attended the opening of a new school in my electorate, a magnificent school, but the building is fully air conditioned. It is in north-eastern Victoria. The Minister of Water Supply opened the building. He said it was his first school opening, and from some remarks he made that was fairly obvious. Air-conditioning of that building may be justified if it were in north-western Victoria in my Leader's province, but in north-eastern Victoria there are many days when, by opening the window, solar energy could be used to provide sufficient heating or cooling. Not only is that school air-conditioned with the plant operating every day of the year at substantial cost, but because of poor design, the teachers and children are complaining about the noise generated by the air-conditioning plant. Society has gone completely overboard on air-conditioning of buildings.

It should also be noted that in these days of scarce resources to be allocated for public buildings, some of them are over-designed. That is true of some of the art and craft rooms built for the Education Department. No one denies that they are beautiful buildings, but is it really necessary to have exposed cedar beams in an art and craft room? To obtain value for the dollar, I would have thought it

was not necessary to indulge in fads and fashions which pass quickly. I make those general remarks on the Bill.

I shall not go into the comments made by Mr Mackenzie. I agree that it is a sad commentary either on the Minister or his department that he issued a glossy-covered brochure early in October and a few days later had to amend the figures contained in it to the extent of $41 million. That arouses concern about accounting procedures in the department. However, I have not carried out investigations to the same extent as has Mr Mackenzie and I shall not go into that matter further.

My party supports the Bill and my colleagues and I shall make further remarks in the Committee stage.

The Hon. E. H. WALKER (Melbourne Province)—I desire to make a few remarks now and to reserve my right to make specific comments during the Committee stage.

I am entranced with the Minister's second-reading speech. Like my colleague, I would like to comment on what the Minister has said. Early in his speech, he raised the matter of unexpended funds, and the fact that the Public Works Department has to work on twelve-monthly budgets. Given the nature of large construction works, it is absolutely ludicrous to imagine that the department can work sensibly on twelve-monthly budgets.

In Britain some years ago, the University Grants Committee was working on five-yearly rolling budgets, which seemed to me a reasonable approach. In years past in this country, a triennial budgeting system was developed and that was not too bad. The idea that a large construction job can be planned and executed on twelve-monthly budgeting, which can alter from year to year, seems to be a stupid notion. Whichever Government is in power ought to examine that because it is not possible to plan and build within that sort of restriction. I make that as a passing comment.

I note that funds have been reduced by $47 million, a cut of 13 per cent. I note also that, by magic, or what this report calls deferred payments and leasing, that has been turned into a positive increase of 7 per cent, which is still behind the rate of inflation. The idea that one can make money by deferred payments and the use of leasing procedures is a very short-term gain. However, I compliment the Government on endeavouring to find money that does not exist.

More specifically, I want to comment on the extraordinary speech by the Minister, which is by way of being a commercial for the Public Works Department. I wonder why it is necessary for the Minister to spend four or five pages of a speech, as Mr Baxter has said, patting himself on the back. I do not believe much of it is justified. I have had long experience of the Public Works Department and on occasions have worked closely with the department. I have also been known to be fairly critical of it in years past. I shall resist the temptation to be anecdotal, as Mr Hamilton tends to be. However, I want to comment on the sort of claims the Minister makes for his department. He said:

> In introducing this matter, I would like to say that the Public Works Department has had a long, successful history in Government building and construction works and, in so doing, has developed professional, technical and administrative skills and expertise, unmatched by any other department or agency of the Victorian Government.

It sounds like throwing down the gauntlet. I do not know what those comments mean. They may mean that all the other departments are absolutely hopeless or that there is no comparable department. I do not believe that sort of statement means much because the department—and I shall not go into a matter that is *sub judice*—had the Fraud Squad in before Christmas last year to investigate practices which should not have occurred. I do not understand how a department in that situation can make such claims. The Public Works Department has a low public image. In my view, it also

has a low performance record. Mr Baxter suggested that. To have the Minister say things like this in a second-reading speech makes no difference. Something more than three-quarter time talks from the Minister are necessary.

Further on in his speech, the Minister said, and Mr Mackenzie commented on this:

> I am pleased to say that the department is an acknowledged leader in the application of energy conservation principles in building design and operation. It has operated a highly successful competitive tendering system for many years.

The comments on competitive tendering are really included to try to dispel the poor image built up over the single tender controversy. I hope this comment means—and I direct this remark to the Minister representing the Minister of Public Works in another place—that there will now be only honest and straightforward competitive tendering. I think that is what the Minister is suggesting and I hope that is the case.

Further on in this Ministerial morale boost, the Minister says:

> The department has developed very close links with similar departments of other Governments and the construction industry at both State and national level, through the national public works conference.

I am glad they have made contact but I am sorry that the Victorian Public Works Department has not learned much. It has been twenty years since the New South Wales Public Works Department upgraded its performance in such a way that since the mid-sixties it has built excellent schools at reasonable cost. It led the design field in public architecture in this nation, and it was followed, at least in school building, by South Australia and to some extent Queensland. I hope the Minister's comment means that Victoria's Public Works Department has begun to take note of what is happening interstate and internationally. I know the department sends some of its people overseas each year. I worry that they have not learned enough from that expenditure on travel.

Further on in the Minister's speech, he comments:

> The proposed provisions in the Bill include design supervision and administration charges by the Public Works Department on relevant items. This is a charge set by the Treasury which recovers the appropriate running costs of the department to the current account. This charge is currently 12 per cent and is less than the fees that would be charged by private consultants for the same range of services. Honorable members should note that the department provides a far wider range of services than that covered by the standard fee scales of the private sector.

I cannot let that pass without comment. If it means that the Public Works Department is charging against any job it does within the department a notional figure of 12 per cent to cover so-called professional services, that is one thing. If the Minister is saying that the actual cost of professional services in relation to the work done by the department is 12 per cent, I do not believe it. Studies of the department in the past have indicated that the best it has been able to manage in professional costs, as against the cost of the work it is doing, would be 15 per cent. I challenge the Minister to justify that figure of 12 per cent because it casts a slur—and here I support private enterprise—on the costs of architectural and engineering services in the community at large.

I challenge that figure, firstly, because I believe 12 per cent is much higher than the fee charged for major works by many firms in this city, and, secondly, because 12 per cent has never been achieved on a major project by this department, including all professional costs. If he is saying that the department budgets for that percentage to show it has accounted to some degree for those costs, that is all right; but if the Minister tells me that is a real figure, I simply do not believe it. Further on he says:

> In accordance with Government policy, the Minister is ensuring that the department's resources are no larger than necessary to sustain high level performance and accountability for the Government's building programmes.

That is a sheer piece of attempted justification for what is a very large department. The Minister is attempting to justify the huge number of people

employed in the department—far more than are necessary. If, following their travels, senior members of the department reported back that in States of the United States of America, in Canada and in Great Britain departments of a similar kind are acting as construction authorities with very few people and using the talents of architects and engineers in private practice more so than is done by our Public Works Department, as is the case in Baltimore, Maryland, which is a little larger than Victoria, where there is a Public Works Department of twenty people managing the construction programme for that State—it is a true construction authority which does not attempt to design buildings but it controls a large budget—then honorable members could review what the Minister is saying. It is a rationalization or a justification for a situation that has become moribund. Again I challenge him to tell the House that these people are working efficiently. I do not believe it.

Further on in the Minister's speech, this extraordinary statement occurs:

> I believe a greater value for the construction dollar could be obtained if a much greater share of Government building construction were directed to the Public Works Department.

My colleague commented on that and I have heard others within my party indicating that we should look for efficiency of size. If I could believe that a decentralization of this function was to be coupled with an increase in size, if I could believe efficient working units of the Public Works Department were to be located in provincial cities around the State, such as Warrnambool, Ballarat, Bendigo, Swan Hill, and if I could believe that the increase in numbers was an increase to enable the department to become better related to the people it is working for, perhaps I could believe the statement.

If it means that the department can become more efficient in a centralized way by more work being put into what is already a huge department, I suggest that is the wrong direction. I challenge the Minister's comment. I would like to see what is meant by largeness being efficiency. I do not agree with a huge, unresponsive, centralized, almost socialistic approach to public works in this State. Further on the Minister said:

> . . . the department is available and is ready to contribute significantly to building projects for instrumentalities . . .

That is a fairly broad term. It probably means semi-Government authorities, "qangos", and municipal authorities in local government. The Minister continued:

> . . . few of which can claim to parallel its over-all building skills.

That is an interesting comment, rather like a commercial. I think it means that the department is big and is needing more work to keep itself going; that it does not wish to cut back its size and is trying to take over work outside its normal ambit. If that is the case, that should not occur. The Minister continued:

> Since my colleague in another place has become Minister of Public Works, he has been confronted with the same situation faced by his predecessors with the trend for the traditional functions of the Minister of Public Works to be eroded by Government statutory bodies.

I should like to hear Dr Foley on this subject, but if the Minister is saying that those nasty Government statutory bodies should not take work away from the Public Works Department, a lot more justification is again needed for such a statement. I should think the State Electricity Commission the Country Roads Board, the Port of Melbourne Authority and the larger statutory authorities, would be somewhat insulted to be told that they are inefficient in the way they deal with their capital funds. They would be moved to mirth at the idea that the Public Works Department could do better for them than they can do for themselves. The Minister said:

> In his view, this can only lead to increased fragmentation of Government building and construction programmes, increased contractual problems and reduced efficiency in over-all terms. The building and construction industry is a high risk industry and exposure of amateurs to these risks invites major problems.

That is a direct insult. The Minister should not have used the word "amateurs" in relation to professionals who work within statutory authorities. That is a gross mistake.

The Hon. D. G. Crozier—He may have been a little carried away.

The Hon. E. H. WALKER—He would have to be to justify that remark. This whole diatribe of seven pages by the Minister must be treated with some scepticism. I wonder what he is trying to tell honorable members, because the Public Works Department does not deserve to be talked about in this way. The Minister also said:

> The corporation is continuing its policy of the disposal of redundant Government properties.

That is interesting. I admit I was not aware that the Public Works Department had the power to dispose of redundant Government property. I bring this matter forward, because, in an age of shrinking capital funds and in a report which tells us we are expending considerably less this year than last year, if the stage has been reached where the Public Works Department has the power to dispose of redundant Government properties, we should be looking at $100 million or $200 million instead of $4·15 million. In the Education Department alone there are $70 million worth of redundant properties which are not being sold because the Estates Branch of the Education Department realizes that if they are sold the money goes straight back into the Consolidated Fund.

The Hon. D. N. Saltmarsh—That is untrue.

The Hon. E. H. WALKER—I believe it is so. If $4·15 million is all we can raise by selling redundant Government properties, the programme should be stepped up. A huge number of properties have become a nuisance because of problems with blackberries and snakes. About 1975 I asked the Estates Branch for a study of the redundant properties and it gave me a figure of $55 million which is a conservative estimate of the properties held or owned by the Estates Branch of the Education Department which have no chance of being used. They had been bought ahead of time, and I can understand the reason for that, and as time went on these were the properties that were not going to be used. That is a significant amount of money.

The Hon. D. N. Saltmarsh—That was in 1975. That situation has changed because of the direct intervention of the Premier.

The Hon. E. H. WALKER—I hope so. If the Public Works Department has the capacity to sell redundant properties, it should be realizing more than $4·15 million in a year. I stand to be corrected if my information is out of date. The Minister further said:

> The major department still requiring integration is the Public Works Department and it is planned to eventually house the department, and other departments, in a single building in Parliament Place.

I hope that never happens. It is my opinion that if the Public Works Department is to stay large, it should not be cumbersome or centralized. It is the type of department which could be regionalized with the Education Department. Approximately 80 per cent of the capital works of the Public Works Department relates to education. I can visualize no better plan than that, in the same way that the Education Department is regionalized with regional directors, and staff gathered around them, there should also be a significant component of the Public Works Department, with the kind of professionals available, in small groups working on programmes directly related to the communities in which they are established. If we are to have another Tower of Babel in Parliament Place, housing the whole Public Works Department, I shall be highly critical. I hope it never happens. The Minister continued:

> At this stage I should like to comment on the lead time which is required between the arrangements of the leasing of a building and its occupation.

Of course, a building cannot be occupied as soon as it is leased because plans have to be drawn up and contracts let. The Minister further stated:

> Notwithstanding this situation, I feel compelled to advise honorable members that often the savings which result from careful design leading to reduced over-all space requirements and less costly fitting out works outweigh the rentals payable on unoccupied buildings.

I do not know why the Minister said that. Clearly, if a building is leased, it cannot be immediately occupied. Honorable members understand that, but this

appears to be justification for something which is not defined. I should like to know what programmes the Minister is referring to, because clearly he has been critized for buildings being idle for too long. Good design does not necessarily take a long time.

I make the point that if the Public Works Department is efficient, that comment is not necessary. I suspect it is a justification of a situation that needs some investigation. I understand that the Minister wants to raise the morale and I suppose the speech was written for him. I do not believe a paper presented to Parliament which is meant to be factual should read like an advertisement for the good life to come. It appears to gloss over situations that require a lot of work. The Public Works Department must be improved. It should be examined for decentralization possibilities. It should stop being centralized as much as it is. There would be more efficiency if the department became more like a construction authority, directing the work and expenditure of money and not doing much work which actually involves professionals.

The motion was agreed to.

The Bill was read a second time and committed.

Clause 1 was agreed to.

Clause 2 (Issue and application of money from Works and Services Account for public works)

The Hon. R. A. MACKENZIE (Geelong Province)—I refer to item 1 of the table which deals with education—schools, hostels and so on. I point out that a great deal has to be done in this area. The Government has failed, as indicated by the severe cutback exhibited here, to take account of a great deal of work that has to be done. I now speak for some honorable members on both sides of the House with schools in their areas which are badly in need of repair. A major works programme needs to be undertaken and increased to overcome the backlog.

The Hon. B. P. Dunn—Particularly on maintenance.

The Hon. R. A. MACKENZIE—Maintenance was what I was talking about, because there are many complaints from teachers that the cyclic maintenance periods are getting longer. The five-year cyclic maintenance programme is now up to seven years. If the Government continues to reduce funds, these cyclic maintenance periods will become longer and the children will be receiving education in dilapidated schools. I hope the Minister will examine this situation.

I also mention the core-plus concept because I believe this is a step backwards. It may be a way of saving money but we are producing a lot of little boxes around the community to which students and people attending schools will be unable to form any allegiance. During the debate on a previous Bill, honorable members spoke about private schools and tradition. Many honorable members of the Government and National parties attended private schools and they believe in tradition. Like Mr Baxter, they belong to old boys' associations and have an affinity with their schools. How can a child in the education system be expected to have an affinity with a square box in a yard? That is all core-plus buildings are. They may save money but they are only boxes. They are creating an architectural desert in the community. I hope the Government will stop providing them. How many children will be brought up and receive their education in these portable class-rooms? It is a disgrace. This policy of the Government should be seriously examined.

I refer now to item 12, Community Welfare—Correctional Services. It provides for fire-fighting equipment to be installed at a cost of $81 000 in Pentridge and Geelong prisons. I see with great regret that there is no provision for sewerage at the Geelong prison. A visit to the Geelong Prison is like a step back in time. When the gaol was first built there must have been a progressive Government. I did not realize that a Labor Government was in office in 1860 when the gaol was built. But in these large bluestone walls it provided 6-inch earthenware pipes which would allow the easy sewerage of the gaol

when sewerage became available. That was a far-sighted move by the architects of the day.

In 1961, the toilet facilities were in such a condition that, as a plumbing inspector, I was called to examine the facilities. I found the conditions to be an absolute disgrace, and that situation continues to this day. Prisoners are locked in their cells at 4.30 in the afternoon with a bucket.

The prisoners are let out at 8.30 a.m. the next day, complete with their buckets, which are then emptied into a trough in the yard. This is 1979, not 1879, and one would have thought that some money would have been allocated for this purpose, because there are no internal toilets for the prisoners. The item is entitled "Correctional Services", and if people's behaviour is to be corrected, they should not be treated as animals but as human beings, and an internal toilet is a basic requirement. I am very sorry that no provision for this purpose has been included in item 12.

Item 21 provides an allocation of $500 000 for conservation and the Environment Protection Authority, but no money has been allocated for a proper laboratory to allow the authority to carry out experiments and analysis on air and water samples. The officer in charge of the Environment Protection Authority in Geelong has to send all the samples to the Monash University in Melbourne. I have been endeavouring to make some arrangements for him to use the facilities of the Geelong Waterworks and Sewerage Trust for this purpose. It is disgraceful that the authority has no laboratory, and disappointing that no money has been allocated for this purpose.

Item 28 deals with the provision of money for public buildings, which has already been touched on; the Geelong project, which will cost $2 million more than was originally anticipated, has already been mentioned. One hopes that the public offices that the Government is now building will not have similar wastage.

Under item 30, $6 million has been allocated for electronic data processing. Again, this includes provision for the WREN system. It is hoped that the large sums of money provided for this electronic equipment will result in some savings and that the immense cost will make the Public Works Department more efficient than we have heard tonight.

Under item 42, $570 000 is provided for dental health services, and this money is to be spent for building works under the School Dental Service. The scheme is important and the Opposition strongly supports it. In recent years the Division of Public Health has constructed up-to-date clinics in schools around Victoria, and I have heard nothing but praise for the buildings. I compliment the Government on this because compared with children in other States, Victorian children are extremely lucky in the provision of dental care.

If I remember the statistics correctly, about 90 per cent of Tasmanian school children receive some sort of dental check during the year, whereas in Victoria until now only about 10 per cent of children have received it. However, it is of no use for the Government to construct these buildings if staff are not provided, and that is what has happened in the electorate I represent —Mr Jenkins can bear me out on this. Two or three dental clinics have been completed for almost six months, but they have no staff. Under the building programme one hopes that money will not be spent on empty shells of buildings but that some money for staff will also be allocated.

Item 44 provides $9 million for mental health, and I congratulate the Government on the provision made for the psychiatric unit at Geelong. The Geelong Hospital is a fine hospital, extremely well built and much needed in the community. However, again, it is not staffed but has been vacant and has been receiving only a few day patients, although it is not fully operational.

The Hon. Glyn Jenkins—That is not correct.

The Hon. R. A. MACKENZIE—Mr Jenkins should check his facts on this and other matters.

Item 72 deals with a point I have raised in the House several times, and I refer to the allocation of the $40 000 to the Australian Volunteer Coast Guard. Again, I commend the Government on supplying this money, but unfortunately it goes to only one group, and that is the Melbourne headquarters.

The Geelong flotilla is operating under extreme difficulty; the members have to use the local boat ramp. Often they have to carry out a rescue operation and must queue up to get their boat into the water. For a small amount of money—a few thousand dollars—they could be provided with a private slipway, so I ask the Minister to take that matter into account as well, because of the tremendous work this group does.

I refer next to item 81, under which grants of $1·2 million are made to voluntary bodies within the department of Community Welfare Services for building maintenance purposes and for the renovation and expansion of facilities at children's homes as well as subsidies to voluntary organizations for family group homes.

This is a most important area and these facilities are badly needed in Geelong. I am sure members on both sides of the House would agree that emergency housing is of grave importance. To its credit, the Government has spent a reasonable amount of money for this purpose, but I should like to see this amount increased even further because this is a worthy area.

The same sentiments apply to item 82, youth hostels. The provision of housing, especially for unemployed youth, is extremely poor and is urgently needed in many communities.

I turn next to item 141 under which $2·8 million is provided by the Public Works Department for expenditure on piers, wharves and jetties. Works are to be carried out at various places including Middle Brighton, Apollo Bay and Lakes Entrance. Another point that I have raised in the House before and will do so again because I feel strongly about it is the need for a breakwater at Lorne. It is needed for other purposes than just the provision of a safe harbour for the fishermen. The facilities are needed so that fishermen may operate larger fishing boats and make their industry more viable. If money is not provided for that purpose to build the breakwater at Lorne, the town will die. I am not saying that just from local knowledge; the fishermen will have to cease operations there within eighteen months if no funds are made available for the breakwater. Therefore, I strongly urge the Minister to see whether money can be made available at least to start this project at Lorne.

Item 142 provides $1·8 million for foreshore protection and beach renourishment works. I mention again the need for dredging work to be carried out at Queenscliff and Rosebud on the boat harbours there.

Item 181 refers to hospitals and charities and the allocation of $60 million. Again, I inform the Minister that all over the State there is a need for increased spending on hospitals. I have worked on preparing drawings and designs for several hospitals in Victoria. I worked on a large hospital project for Sale, for which four years ago a new hospital was designed. At that time, it was to cost $5·5 million. The architects' fees for preparation of the plans and all the consultants fees have been paid—those fees would have amounted to a considerable sum but, like many other hospital plans, those plans are probably gathering dust in the archives of the Health Commission.

The Geelong Hospital is another example. Prior to the last State election the people of Geelong were guaranteed that this programme would go ahead, but now they have been informed that there is no money available for Geelong, and again I ask the Minister to ascertain the position.

Those are all the items under clause 2 to which I wish to refer and I trust the Minister for Local Government has

taken a note of what I have said and will endeavour to have alterations made in the allocations.

Progress was reported.

ADJOURNMENT

Parliamentary staff—Holmesglen Constructions — Inventors — Power line route

The Hon. HADDON STOREY (Attorney-General)—I move:

That the Council, at its rising, adjourn until Tuesday, December 11, at two o'clock.

The motion was agreed to.

The Hon. HADDON STOREY (Attorney-General)—I move:

That the House do now adjourn.

The Hon. G. A. SGRO (Melbourne North Province)—Mr President, I have a matter which I would like to raise with you. Last night honorable members had an enjoyable time. We all enjoyed ourselves with drinks, food and entertainment, but nevertheless I was surprised to see that most of the people who serve us so well for many months were not allowed to come in and join us. At least once a year they should come and have their Christmas dinner with us.

I would like to ask you, Mr President, whether you can make sure that next year those people who work in the kitchen and in the dining room can enjoy their Christmas dinner with us and have a party with us with the refreshment rooms employing outside people to do the work in the kitchen and to wait on the table.

The PRESIDENT (the Hon. F. S. Grimwade)—The matter the honorable member has raised is really a matter for the House Committee; I suggest that he raise it with that Committee.

The Hon. R. J. EDDY (Thomastown Province)—I raise a matter with the Minister of Water Supply, representing the Minister of Housing. I refer to a letter which has been received by the Secretary of the Victorian Trades Hall Council from the Minister of Housing:

Dear Sir,

Sale of Holmesglen Constructions

I write to inform you of the decision taken in this matter and to invite early discussions.

The Government has decided to transfer the ownership of the land and buildings at Holmesglen Constructions from the Housing Commission to the Country Roads Board as no acceptable offer has been received from private industry.

Provided that productivity returns to the level achieved prior to June 1979, the Housing Commission will lease the land and buildings at Holmesglen from the C.R.B. for a period not exceeding two years so that it can complete the projects it has in hand. This will enable the employment of Holmesglen personnel for a further period of two years. This will require Union co-operation. The plant and equipment of Holmesglen Constructions will then be sold and the operation closed down. The C.R.B. will not manufacture concrete products at Holmesglen.

I ask the Minister whether it is true that the Minister of Housing, during a deputation consisting of members of the Trades Hall Council executive and union officials, appealed to those members to assist the Government in closing down Holmesglen Constructions.

The Hon. ROBERT LAWSON (Higinbotham Province)—I raise with the Attorney-General, representing the Minister of Labour and Industry, a matter concerning inventors. A number of inventors live in Higinbotham Province and some come to me with their problems. One of the problems is lack of money.

One in particular has invented a device for passing either cash or valuables through a security screen, the type of security screen one sees in banks. It is a simple device and easy to install and its size can be varied to suit the size of the article or money that is being passed through the security screen.

His problem, which he has in common with many other inventors, is that he has no money with which to pay the patent fees. He has had a patent pending for the time being but it expires very shortly. It occurred to me that there must be many inventors in Victoria in the same position.

Would it be possible for the Attorney-General to confer with the Minister of Labour and Industry to ascertain whether it is possible to create an inventors bureau so that

people with this type of problem can go to the bureau and talk over their problems with those who have some authority or knowledge of matters such as this and who can perhaps help them to overcome their problem.

We probably lose many inventions because of lack of money. This is a simple invention and it could bring credit to this country if it was patented world-wide but as I see it, if it is not——

The PRESIDENT (the Hon. F. S. Grimwade)—Order! I have allowed the honorable member a certain amount of latitude in the hope that he may be able to relate his remarks to the administration of the Victorian Government, but I am having difficulty in trying to fit his problem into a particular spot. Perhaps the honorable member could rephrase his remarks so that they do relate to the administration of the Victorian Government.

The Hon. ROBERT LAWSON—I was hoping the Minister of Labour and Industry would consider establishing an inventors' bureau.

The Hon. R. A. MACKENZIE (Geelong Province)—I raise with the Minister representing the Minister for State Development Decentralization and Tourism my pet subject. I refer to the power lines from Geelong to Portland, and in particular I am speaking about the northern routes. One of the northern routes being investigated passes through the Moorabool Valley near my home at Bannockburn. The residents of the valley are concerned and angry because even though the area has been zoned by the Geelong Regional Commission as being of high scenic significance, the consultants involved in the investigation of the route did not bother to check with the commission or make any inquiries about the zoning.

I have been informed that only five days were spent by the consultants in the field. No investigation of the scenic values of the land on that route could be completed in only five days. It would be physically impossible.

I ask the Minister to investigate the matter and to ascertain whether those are the facts, whether there has been a thorough investigation and why the regional commission was not consulted when one of the proposed northern routes for the power line was being investigated.

The Hon. HADDON STOREY (Attorney-General)—Mr Lawson raised an inventive subject concerning the possible creation of an inventors bureau. I have always held the belief that, if an invention was likely to be of value to the community, the inventor would usually be able to find support to assist in furthering his invention. However, there must be occasions when an inventor is unable to get in touch with the right people. Some facilities already exist through the Small Business Development Corporation and other organizations that might be able to provide assistance. It is a matter for the Minister of Labour and Industry and I will ask the honorable gentleman to give consideration to the honorable member's suggestion.

The Hon. D. G. CROZIER (Minister for Local Government)—I note Mr Mackenzie's criticism of the selection of the proposed northern route, or portion of it, for the new power line to Portland, and his particular concern that the Geelong Regional Commission might not have been consulted before the delineation of the route. I will take up the honorable member's comments with the appropriate Minister and seek an answer for him.

The Hon. F. J. GRANTER (Minister of Water Supply)—In connection with the matter raised by Mr Eddy concerning the letter sent by the Minister of Housing to the Trades Hall Council, it is true that the Minister sought the co-operation of the Trades Hall Council and the union in the closing down of Holmesglen Constructions. The employees of Holmesglen Constructions are guaranteed two years' employment and during that period I envisage, as I am sure the Minister of Housing does, that some of the employees will seek other jobs and endeavours will be made

to transfer other employees to other positions in the Public Service. I also understand that the union has as yet not accepted the offer of co-operation, so I am unable to advise the honorable member of any other developments at this stage.

The motion was agreed to.

The House adjourned at 12.25 *a.m. (Friday) until Tuesday, December* 11.

QUESTIONS ON NOTICE

DRAINAGE IN SHEPPARTON AREA

(Question No. 285)

The Hon. J. W. S. RADFORD (Bendigo Province) asked the Minister of Water Supply:

What action has he taken concerning the strong opposition of the Torrumbarry Irrigators' Association to groundwater drainage work being carried out in the Shepparton region?

The Hon. F. J. GRANTER (Minister of Water Supply)—The answer is:

I have ascertained from the Water Commission that disposal of the extracted groundwater is largely by re-use in the Shepparton region. Injection to supply channels for re-use disposes of about 50 per cent of the extracted water. Diversion from drains could raise that figure to as high at 80 per cent in dry seasons.

There are many instances in all the Murray States of the disposal of drainage to the River Murray. Barr Creek is one of the major contributors of salt to the river. It is apparent that the question of admissible salt loads to the river from various regions can only be determined from an overall view of drainage and water supply requirements along the whole length of the river.

The Governments of the Commonwealth, Victoria, New South Wales and South Australia in 1978 jointly commissioned a study by Maunsell and Partners to develop a co-ordinated plan for salinity control and drainage from the "whole River" viewpoint and their report is imminent. The findings of the consultants will be taken into account by the Parliamentary Public Works Committee in its current public inquiry. That committee will also take account of all evidence received from interested parties who have appeared as witnesses.

I understand that the Torrumbarry System Irrigators' Association have already presented their views to the committee in evidence.

The Government will await the committee's recommendations on specific proposals for guidance in its decisions.

Drainage emplacements along Barr Creek to facilitate re-use of Barr Creek water within the system would be eligible for salinity loans under the farm loans programme.

SCHOOL FEES

(Question No. 220)

The Hon. C. J. KENNEDY (Waverley Province) asked the Minister of Education:

(*a*) Can the State primary, high or technical school students who have not paid, or will not pay, fees be refused use of materials or facilities normally bought with those fees?

(*b*) Can students be debarred from classes or otherwise punished for failing to pay those fees?

(*c*) Do schools or the Education Department have the power to recover those fees in courts of law?

(*d*) Can book firms set up shop in State schools and collect fees?

The Hon. A. J. HUNT (Minister of Education)—The answer is:

The honorable member persistently misrepresents charges for materials and facilities as "fees". I repeat again that no fees whatever are charged in State schools in respect of any subjects within the normal curriculum available to pupils of the particular school.

(*a*) Materials and facilities for students in primary schools, high schools and technical schools are now usually paid for out of education allowances provided by the Government to all schools. A school council may decide to levy additional charges to provide additional materials and facilities beyond the norm, but they are non-compulsory and no student would be refused use of facilities bought with them, nor would access to additional materials purchased at the cost of parents be refused to the children of those who did not contribute, save in exceptional circumstances.. For example, if a parent who was readily able to contribute declined to do so "on principle" as the honorable member is apparently inciting parents to do, the school would be equally entitled "on principle" to withhold extra materials not basic to the curriculum purchased at the cost of other parents. Where parents are believed to face difficulties, payment of any levy is never pressed.

(*b*) No.

(*c*) Charges as approved by a school council are recommended to parents but, if any parent decides otherwise, no legal action could or would be taken to recover the levies.

(*d*) A school council may authorize a firm to supply books and requisites to the school, but the firm does not collect the charges. The issue is one for the school council. Cases have occurred where schools have allowed booksellers to sell books at a school, but this practice is discouraged. No question of "fees" arises, notwithstanding the obsession of the honorable member on the matter.

Legislative Assembly

Thursday, 6 December 1979

The SPEAKER (the Hon. S. J. Plowman) took the chair at 11.4 a.m. and read the prayer.

QUESTIONS WITHOUT NOTICE

TROTTING CONTROL BOARD

Mr TREZISE (Geelong North)—In view of the obligation that the Minister for Youth, Sport and Recreation has under the Racing Act to produce to this Parliament each year, at the latest by 21 November, the full audited statement and financial papers of the Trotting Control Board, will the Minister explain why this requirement has not been met for the 1978–79 financial year? Would he also give the House an assurance that his failure to produce the report for this year is in no way related to the controversial Keysborough land issue?

Mr DIXON (Minister for Youth, Sport and Recreation)—I will have inquiries made into the matter and inform the honorable member.

CROATIAN PREMIER

Mr ROSS-EDWARDS (Leader of the National Party)—I bring to the Premier's attention the incidents arising out of the visit to Victoria of the Premier of Croatia. Can the Premier advise the House of the purpose of the visit of the Premier of Croatia, and if he is here as the guest of the Victorian Government?

Mr HAMER (Premier)—The Premier of Croatia is not here by reason of any invitation issued by the Victorian Government. Let me make that plain. I am not quite clear of the circumstances by which he came here. We had a message from the Federal Department of Foreign Affairs. Quite naturally, when an official visitor comes to Australia, the States are normally asked to host that part of the visit that takes place in that State, in conjunction with Commonwealth officers. If the Federal Government chooses to invite people here, we do our best to give them hospitality while they are in Victoria. I think honorable members would want that to happen. I am unable to answer the question. I do not know the purpose of the visit other than what could be termed goodwill, but when such visitors are here we ensure they meet the people they want to, and see the people they want to meet and see the things they want to see, so that the visits, from their point of view, will be fruitful.

HUNGER STRIKE BY PENTRIDGE PRISONER

Mr WILLIAMS (Doncaster)—I direct my question to the Minister for Community Welfare Services. Is Pentridge prisoner Edwin Eastwood still on a hunger strike? If so, what has been done about the matter?

Mr JONA (Minister for Community Welfare Services)—Prisoner Eastwood at Pentridge Prison has been on a hunger strike now for 30 days. The prison authorities have made food available to him at all normal meal times. He has refused to take this food, but this morning he advised the prison authorities he would resume his normal meal at noon today, and therefore we expect him to be taking his lunch.

I should mention, he has lost a considerable amount of weight in prison —that is natural—so it has been arranged for a doctor to examine him this morning and he will be advising on diet, particularly in respect of the quantity and type of food that he can have.

WORKERS COMPENSATION ACT

Mr WILKES (Leader of the Opposition)—I ask the Minister of Labour and Industry: In view of the continuing and widespread concern by trade unions in this State about the recent amendments to the Workers Compensation Act, highlighted recently by such groups as the Victoria Police Association, the firemen, the ambulancemen and other white collar organizations, will he give an assurance that the meeting to be held tomorrow is not just a token

gesture, and that the Government is prepared, with these groups he will meet tomorrow, to reconsider the significant restrictions which are placed on the eligibility for compensation by the recent legislation that passed through this Chamber?

Mr RAMSAY (Minister of Labour and Industry)—I am not aware of any firm arrangement for a meeting tomorrow. The Leader of the Opposition has information which has not been conveyed to me. I did meet yesterday with the Secretary and officers of the United Firefighters Union and had a discussion about the implications of the new Workers Compensation Act. Firemen are apprehensive about the effect of the amendments. They have been advised along lines which I can only describe as extreme as to the effects of the amendments, which, as all honorable members know, were designed to remove from workers compensation those cases where there was not a genuine work contribution.

The United Firefighters Union is anxious to have the matter further clarified. I have undertaken to take steps, if possible, with the Workers Compensation Board to have those matters clarified. In all probability that will have to wait until some cases come before the Workers Compensation Board, but, if it is possible for clarification to be given before that date, I am sure it will be done.

WHEAT HARVEST

Mr TREWIN (Benalla)—I refer to the grain harvest that has now commenced. Can the Minister of Agriculture inform the House of the progress of the Grain Elevators Board in receiving, storing and transporting the new wheat harvest to enable producers to be kept up to date with what is going on?

Mr I. W. SMITH (Minister of Agriculture)—To provide details of the current conditions would take an inordinately long time, but the House would be interested to know that original estimates of the grain harvest can be up-dated to closer to 5 million tonnes than just over the 4 million tonnes, which was the previous estimate. The grain is being harvested quicker than has ever occurred before and in larger quantities and, naturally, that has put stress on the receival and transport systems.

Nevertheless, due to the experience gained from last year's good harvest, the Grain Elevators Board is in a much better position to be able to receive and transport the harvest. There were difficulties in the first couple of weeks when the board was not able to marshall sufficient rail trucks and silos had become full. However, those difficulties have been rapidly overcome and, in the light of the delivery patterns which are now occurring, the Government is better able to plan strategies for the future of the harvest.

Mr Wilton—In other words, the Government's bad financial management has caught up with it?

Mr I. W. SMITH—The honorable member for Broadmeadows would never see good in anything. Unlike the honorable member for Broadmeadows, who is not capable of rejoicing in anything, most farmers would rejoice in the exceedingly good harvest. Most farmers appreciate the fine organization which is able to receive the harvest at a much quicker rate than before. However, if farmers have any complaints I appeal to them to contact the Grain Elevators Board or VicRail. The sooner a problem is discovered the quicker a remedy can be found.

The Minister of Transport and I have appropriate working committees to solve these problems instantly. The framework of the railways and the Grain Elevators Board is geared to receive these suggestions at a local level and take appropriate action at a top level. Therefore, information is needed from farmers if any problems occur.

FIRE PRECAUTIONS AT PARLIAMENT HOUSE

Mr McCLURE (Bendigo)—I ask the Minister for Police and Emergency Services a question in connection with the bans by the fire-fighters' union. In the event of a fire occurring at Parliament House, what action does the Minister

intend to take to ensure the safety of honorable members who, upon hearing the fire alarm bell, may confuse it with the division bells and, instead of seeking safety outside, may come to the Chamber?

The SPEAKER (the Hon. S. J. Plowman)—The honorable member would know the difference between a hypothetical question and a question of fact. I suggest to the honorable member that, if he wishes to rephrase his question, I will give him the call later. The second part of the question is somewhat frivolous.

CO-ORDINATOR OF URBAN LAND DEVELOPMENT

Mr CAIN (Bundoora)—Will the Minister for Planning inform the House whether a decision has been made not to suspend Mr Ashman, the Co-ordinator of Urban Land Development, from his position? If that decision has been made, is it based upon evidence and submissions made to the Royal Commission, or is it based upon some other legal or technical difficulty? Finally, if not on either of those two grounds, is it based upon some other and, if so, what material about which the House does not already know?

Mr LIEBERMAN (Minister for Planning)—No decision has been made either to suspend Mr Ashman or not to suspend him. As the honorable member knows, last week an indication was given to the Royal Commission that it was desired to give evidence regarding a certain transaction which was thought to have been concluded and in fact was not concluded. I am informed that, on that basis, Sir Sydney Frost indicated that he would receive the evidence. I believe that evidence has been received in part to date and will be completed this week. I understand that, following that, submissions will be made to the Royal Commission by counsel assisting the commission and by counsel representing the other parties, including Mr Ashman. Until those matters are complete, it would be unfair and improper for a decision to be made concerning the particular person.

Yesterday, I informed a reporter from the *Age* of that precise fact, yet this morning the *Age* carries an article stating that a decision has been made in the matter. That article is inaccurate.

SECURITY OF TRAMS

Mr McARTHUR (Ringwood)—I refer the Minister of Transport to the concern expressed to me by constituents in my electorate, two of whom are tram conductors, who fear that groups of larrikins can take over night-time trams which are staffed by new recruits. I am informed that an incident occurred recently on the Wattle Park line when a group of youths threw a beer bottle through the windscreen of a tram. With this in mind, would the Minister consider a feasibility study on fitting night-time trams with two-way radio for use in emergencies?

Mr MACLELLAN (Minister of Transport)—I am not aware of the incident referred to by the honorable member; nor am I aware of the cost of fitting radios to trams, although that matter has been studied as a traffic management measure, not as a security measure. I will obtain information for the honorable member and I shall cause a report to be made on the matters raised by him.

HOUSING COMMISSION LAND TRANSACTIONS

Mr ROPER (Brunswick)—I direct my question clearly to the Minister of Housing. Has the Minister sighted the report by Mr Allwinton, the Chairman of the Housing Commission, on the Carlton land transaction with Mr Silberg? If so, will the Minister make the report available to honorable members, and can he give the House an outline of Mr Allwinton's comments?

Mr DIXON (Minister of Housing)—I do not know of any report to which the honorable member is referring.

TURNIP APHID

Mr JASPER (Murray Valley)—Is the Minister of Agriculture aware of the report from Western Australia on the development of an aphid to control

wild radish in cereal crops? If the Minister is aware of this aphid, what action is being taken by the Department of Agriculture to investigate the possibility of the introduction of this aphid into Victoria?

Mr I. W. SMITH (Minister of Agriculture)—To the best of my knowledge, the aphid to which the honorable member refers is already in Victoria and is commonly known as the turnip aphid. It attacks wild turnips and wild radish as well as brassica crops, which is the family name of the crop. The reason for the apparent success of the aphid in Western Australia this year in the control of wild radish in cereal crops is believed to be directly related to the poor season there. As a result of the starvation diet the aphid has had forced upon it, it has attacked the wild turnip and appears to have been very successful. My people have advised me that this is purely drought related and that the aphid in Western Australia is no more ferocious than the one in Victoria.

CHILDREN'S TELEVISION

Mr TANNER (Caulfield)—In view of the continuing concern in the community about children's television, I ask the Minister for Youth, Sport and Recreation what action the Government is taking to support organizations which aim to improve children's television programmes.

Mr DIXON (Minister for Youth, Sport and Recreation)—The Ministry has been concerned with various aspects of life which affect youth directly or indirectly in the community. One of the most important, of course, is television. Honorable members will be aware of the Australian Children's Television Action Committee, known as ACTAC, which for some years has endeavoured to raise the standard of programmes available for children. I am pleased to announce that the department has made a grant of $10 000 from the Youth Fund for the establishment and expansion of library facilities for the Australian Children's Television Action Committee.

It might be of interest to honorable members, and I find the figures almost incomprehensible, that children between the ages of three to fourteen years will, on the average, witness 13 000 violent deaths. It is certainly appropriate that something should be done to try to reduce the number of deaths which children are forced to watch on the current programmes available during the hours in which children watch television. It may also be of interest to honorable members to know that up to the age of sixteen years, children on the average watch between 12 000 and 15 000 hours of television. Therefore, I believe the grant will help the Australian Children's Television Action Committee to engage in action which will result in greater improvement of children's television programmes, which is an appropriate way of expending Government funds.

DEPARTMENT OF YOUTH, SPORT AND RECREATION

Mr FORDHAM (Footscray)—My question is also directed to the Minister for Youth, Sport and Recreation. Has the police Fraud Squad been called in to investigate suggestions of impropriety involving the Minister's department to the extent of many thousands of dollars?

Mr DIXON (Minister for Youth, Sport and Recreation)—The Minister for Police and Emergency Services informed me that the Fraud Squad had some investigations which meant that the Fraud Squad did visit the Department of Youth, Sport and Recreation. I do not know the precise reason. The Fraud Squad is entitled to make its inquiries confidentially.

The SPEAKER (the Hon. S. J. Plowman)—Order! Honorable members should cease interjecting. If they wish to ask further questions, I will give them the call.

Mr Trezise— You must know what it is about.

Mr DIXON—I do not know.

The SPEAKER—I have asked the honorable member for Reservoir about three times this morning to cease interjecting. That is about enough.

Mr DIXON—I do not know what it is about because, as I said before, the Fraud Squad is making its own inquiries and will report to its own Minister. To the best of my knowledge the Minister has not yet received a report from the Fraud Squad about those investigations. From the way in which they are carried out the Fraud Squad has seen fit not to inform my departmental head or myself of what the investigations are about.

I have drawn this matter to the attention of the Minister for Police and Emergency Services and to the best of my knowledge he has called for a report. I imagine that he will quickly inform me about what has occurred when he believes it is appropriate.

APPRENTICES

Mr CRELLIN (Sandringham)—I address this question to the Minister of Labour and Industry. In the report of the Industrial Training Commission tabled in Parliament this week a statement is made that apprenticeship training in the year ended 30 June 1979 was at an all time high. Can the Minister inform the House whether this trend is continuing this year and if so, what are the vital effects on the prospects of youth employment?

Mr RAMSAY (Minister of Labour and Industry)—It is correct that as at 30 June last year apprentice figures were at a record level with 38 361 apprentices in training at that time. The Industrial Training Commission advises me that the intake of apprentices during the current year has shown a substantial increase on the intake for the same period last year, to the order of some 36 per cent. This has occurred particularly in the building industry and the metal trades, where there is an increase of some 50 per cent in the number of apprentices in training.

The commission is confident that if this larger intake can be maintained, another record year will be achieved in 1979–80 and that some 40 000 apprentices may be in training by the middle of that year. This has been encouraged by the contribution of the State Government through lower workers compensation premiums for apprentices and it is also added to by the Commonwealth Government's additional support of a $1000 bonus for any additional apprentices employed by an employer in excess of the number in training in the previous year. By this means it will be possible not only to increase the number of skilled tradesmen but to provide a tremendous boost to the employment available for the young.

DEPARTMENT OF YOUTH, SPORT AND RECREATION

Mr CATHIE (Carrum)—I ask a question of the Minister for Police and Emergency Services following the previous question to the Minister for Youth, Sport and Recreation. Can the honorable gentleman inform the House of the circumstances of the Fraud Squad's inquiry into the Department of Youth, Sport and Recreation, whether the inquiry involves the sum of $12 000 and whether it relates to cheques?

Mr THOMPSON (Minister for Police and Emergency Services)—I am aware that the Fraud Squad visited a section of the Youth, Sport and Recreation Ministry recently, but I am not in a position to make any statement on it at this stage. I have not received any official report whatsover.

PRINCES HIGHWAY

Mr B. J. EVANS (Gippsland East)—I ask the Minister of Transport whether in view of the increasing traffic on the Princes Highway East, largely as a consequence of the Loy Yang development, has the Government made any recent approaches to the Commonwealth Government with a view to having this highway declared a national highway.

Mr MACLELLAN (Minister of Transport)—The short answer is, "No" in the sense that an application was made to the Commonwealth Government for it to be declared a national highway some time ago and I think that was refused. A recent application was made within the past month or six weeks for that road to be declared a national commerce road. I have not received a response from the Federal Minister, either "Yes" or "No", to that question.

Of course, a declaration of that sort would not produce more money; all it would do would be to reallocate money within the amount that Victoria receives from the miserable allocations made by the Federal Government for roads. However, it may mean that there would be a slowing down of the higher quality standards which are being applied on the Hume and Western highways so that the most heavily-trafficked road in the State might get some share of those funds.

NATIONAL PARKS SERVICE

Mr AUREL SMITH (South Barwon)—I ask the Minister representing the Minister for Conservation, whether, as reported in this week's *Geelong Advertiser*, the regional headquarters for the National Parks Service will be moved from its central location in Geelong to Colac?

The SPEAKER (the Hon. S. J. Plowman)—Order! The honorable member may not ask whether a report is correct. I ask the honorable member to rephrase his question.

Mr AUREL SMITH—Is it a fact that the regional headquarters of the National Parks Service at Geelong are to be moved from the central position in Geelong's new State offices to Colac and, if so, what is the justification for such a move?

Mr WOOD (Minister of Immigration and Ethnic Affairs)—The district office of the National Parks Service is to be transferred from Geelong to Colac. The reason is that Colac is closer to those parks which will experience the heaviest work load from a district point of view over the next few years. This is particularly related to the establishment of the proposed Western Entrance National Park and the Otways National Park. The Western Entrance National Park runs from Peterborough to Cape Otway and has many miles of coastline with management problems.

It is believed by the National Parks Service that because of the establishment of these two new parks, which will involve many problems of establishment, management, staff and so on, Colac is geographically the best location from which to service these two new important national parks.

HERBICIDES

Dr VAUGHAN (Glenhuntly)—Is the Minister of Immigration and Ethnic Affairs, who is acting for the Minister of Health aware of a report of research done at Monash University which suggests further danger to the community from the herbicide 2, 4, 5-T? If he is aware of that research, will he inform the House what action the Government proposes to take in relation to this herbicide, particularly in view of the new legislative power given to the Minister of Health during this Parliamentary session?

Mr WOOD (Minister of Immigration and Ethnic Affairs)—Yes, I am aware of the article that appeared in the media this morning. I have been in touch with the Health Commission, which will be seeking details of the research paper results so that the situation can be reviewed. The Minister of Health still maintains his advice that the herbicide should not be used in populated areas—he made that plain on many occasions—and when used it should be used strictly according to the directions.

COST OF MEDICAL OXYGEN

Mr SKEGGS (Ivanhoe)—Will the Minister of Health make representations to the Commonwealth Minister of Health with a view to easing the burden of cost, under the Commonwealth medical benefits, of oxygen necessary to be kept in the home for medical treatment?

Mr LIEBERMAN (Assistant Minister of Health)—I am aware of the problem that has been concerning a number of people, particularly pensioners in this regard, and I readily agree to give consideration to the honorable member's request. I will bring it to the attention of the Minister of Health as soon as he returns to his office.

PETITION

Abortion

Mrs CHAMBERS (Ballarat South) presented a petition from certain citizens of Victoria, praying that action be taken

to protect unborn children by prohibiting abortions in Victoria. She stated that the petition was respectfully worded, in order, and bore 1749 signatures.

It was ordered that the petition be laid on the table.

PAPER

The following paper, pursuant to the direction of an Act of Parliament, was laid on the table by the Clerk:

Youth, Sport and Recreation—Report of the Director-General for the year 1978–79.—Ordered to be printed.

SUPERANNUATION (AMENDMENT) BILL

Mr THOMPSON (Treasurer)—I move:

That this Bill be now read a second time.

This Bill makes one important amendment to the Pensions Supplementation Act, and the Superannuation Act, and a number of more minor amendments that have been recommended by the State Superannuation Board. The major amendment implements the Government's undertaking to provide for six-monthly indexation of pensions. The first six-monthly indexation of pensions will take place on 1 July 1980.

Clauses 12 to 15 cover the question of indexation. There are a number of more minor, but nevertheless significant, changes that this legislation introduces. Clause 4 gives married women upon becoming permanent officers a more effective period in which to decide not to elect to contribute to the State Superannuation Fund. At present the legislation provides that women must make their decision within six months of being appointed permanent officers. There have been a number of occasions where officers have not been properly notified of their acceptance as permanent officers before the six-month period has elapsed, so they have had no effective period in which to make their decision whether to contribute to the State fund. This legislation changes that position and provides that they must make their decisions within six months of superannuation deductions being made for State fund purposes. This is a more effective approach.

Clause 6 gives power to the State Superannuation Board to employ people to manage and supervise its investments, as distinct from the management of property, a power which it now has. The board has made this recommendation in the belief that people can be employed on a variety of bases, depending on the particular need, and people so employed would be employed from the funds of the superannuation board rather than from the Consolidated Fund.

Clause 7 deals with limited contributors. There is a technical defect there that suggests that limited contributors may not be entitled to the benefits they believe they should be entitled to on becoming ill. The technical difficulty seems to draw a distinction between those who elected to join the revised scheme and those who have not and this amendment overcomes that possible anomaly that legal experts see.

Clause 8 is of some significance in that it gives the right to the State Superannuation Board to call back to employment people whose health has improved. There have been a number of cases where people have been superannuated from the State system and have then obtained employment, in some cases employment of an identical nature on a full-time basis. This is obviously an undesirable practice, and where the board finds that people apparently recover their health and are capable of working on a full-time basis, they will be recalled to the appropriate branch of the Public Service or Teaching Service.

Clauses 10 and 11 deal with people working in the Victorian Railways. There are three groups of people in the railways; those who have full superannuation rights, and those with limited benefits, one group of whom have elected to contribute to units under the State superannuation scheme so that they are not disqualified from general pensioner benefits from the Commonwealth, and another group who have elected to qualify for a retiring gratuity. It has been the aim of the Government to retain parity between the two latter

groups, and for that purpose the number of units for the second group I have mentioned has been increased from 10 to 11.

Clauses 12 to 15 deal with half-yearly indexation and, as I indicated earlier, the first half-yearly adjustment will take place in the middle of 1980. Clause 16 is a different type of provision. On returning to the service, having regained health after having been on a pension, a person loses his or her supplementation rights. That should not happen. It is a defect in the Act, and clause 16 overcomes that defect. In other words, the clause will give the same supplementation rights to people who have retired from the service for a period and then come back as to those who have retired from the service and have never returned or have never been required to return. Obviously the same provisions should apply to the two groups. It is purely a legal technicality which at the moment prevents one group from enjoying those supplementation rights.

The basic aim of the Bill is to provide half-yearly indexation, but a number of these other adjustments are worth while. In some cases they confer additional benefits, and in other cases they implement appropriate recommendations made by the State Superannuation Board. I commend the Bill to the House.

On the motion of Mr REMINGTON (Melbourne), the debate was adjourned.

It was ordered that the debate be adjourned until Wednesday, December 12.

ESTATE AGENTS BILL

Mr MACLELLAN (Minister of Transport)—I move:

That this Bill be now read a second time.

As honorable members are aware, this Bill is introduced in the Assembly because of the privilege of the Assembly in relation to financial matters. I do this on behalf of the Attorney-General, and it should be made perfectly clear to honorable members that the Attorney-General has worked diligently and hard in the preparation of this measure.

The most important and in many cases the largest single transaction that most members of our community enter into on their own behalf is the purchase of their homes. In most cases, this is done through an estate agent. The estate agent brings together the vendor and the purchaser and generally earns his or her commission if he or she effects a sale. Thus the real estate industry is one that impinges very vitally on the lives of a great number of people in our community, and estate agents play a most important role in one of the biggest and most far-reaching decisions that most of us make. For these reasons, it is most important that the law of this State relating to estate agents and sub-agents should be sound law, ensuring that the highest standards are observed in the real estate industry.

Prior to the introduction in the spring sessional period of Parliament last year of a Bill to amend the Estate Agents Act 1958, the Government consulted in great detail and depth with a wide range of persons and organizations interested in the real estate industry in this State. At the time that Bill was introduced, interested persons and organizations and the community generally were invited to study the form and content of the provisions it contained and make comment on or submissions in relation to what was proposed. I am pleased to be able to inform honorable members that that invitation was accepted by many people and that in the ensuing months many submissions were received in relation to the Bill.

These varied greatly in detail and in depth. Organizations such as the Real Estate Agents Association, the Real Estate and Stock Institute of Victoria, the Victorian Stock Agents Association as well as the Law Institute and the Master Builders Association made lengthy and detailed submissions, while a number of other submissions were received from individuals who were concerned with specific aspects of the proposed amendments. By and large those making submissions agreed with the over-all thrust of the proposed legislation and were mainly concerned with various procedural aspects or details of the general scheme.

At the time the Bill was introduced last year, it was announced that it was the Government's intention to introduce a Bill to re-enact the Estate Agents Act 1958 incorporating the amendments in that Bill and other amendments or provisions that seemed necessary or desirable after consideration of all the submissions received. The Bill before the House is a Bill to re-enact the Estate Agents Act 1958 with appropriate amendments and additional provisions to ensure that the real estate industry will be properly conducted for the benefit of the community generally.

As I have said, the general thrust of the amending Bill introduced last year was well received and has been maintained. The Estate Agents Committee, which has served the real estate industry so well for many years, will be replaced by an Estate Agents Board which, in addition to taking over all the functions of the Committee, will have other duties and responsibilities. Not the least of these will be the responsibility for the licensing of estate agents and sub-agents which has formerly been the province of the Magistrates' Courts. The board will also enjoy wider disciplinary powers than those possessed by the committee.

The board shall have seven members appointed by the Governor in Council. One is to be a barrister and solicitor of at least five years' standing, another a person qualified in accountancy, two will be selected from a panel of names submitted by the Real Estate and Stock Institute of Victoria, one from a panel of names submitted by the Real Estate Agents Association of Victoria, one from a panel of names submitted by the Victorian Stock Agents Association and the last will be at the choice of the Governor in Council. The chairman of the board will be appointed by the Governor in Council from among its members. One of the members will also be appointed Deputy Chairman.

The board will be responsible for determining eligibility for and the granting of licences. The Bill provides for the appointment of a secretary to the board who will be responsible for the exercise of the duties and powers currently performed by the Registrar of Estate Agents, save for those related to the Estate Agents Guarantee Fund which, under this Bill, will be performed by the board, having regard to the different nature of the fund as provided for in this Bill.

Before leaving the board it must be pointed out that the Bill empowers the board to inquire into and punish breaches of rules of professional conduct by sub-agents as well as agents. The 1958 Act gave such disciplinary powers to the committee only in relation to estate agents themselves. In the event that the board finds that an agent or sub-agent has misconducted himself the board can impose a penalty ranging from an admonition or reprimand to a fine and even to cancellation of the offender's licence.

The Estate Agents Act 1958 provided for an Estate Agents Guarantee Fund. This Bill provides for a fund by the same name. However the Estate Agents Guarantee Fund, as provided for in this Bill, is a different fund from its predecessor. The fund is made up of interest from the investment of a proportion of moneys in estate agents' trust accounts together with licence fees. The fund is in fact established and operated along similar lines to the Solicitors Guarantee Fund.

In addition to being available as a source of compensation for persons who suffer pecuniary loss at the hands of estate agents, the fund will meet the administrative expenses and salaries of persons associated with the board and its functions. The fund previously existing was available as a source of compensation to persons who suffered loss only as a result of the behaviour of an estate agent acting as an estate agent. The Bill provides that recourse for compensation to the new updated fund can be had by any person who suffers loss through dealing with an estate agent in the course of or in connection with his business.

The fund will also be used for the conduct of educational courses related to real estate both for persons in the industry and interested members of the general public. There is provision in

the Bill that, in the event of the fund growing sufficiently large, it may be used for the purpose of assisting and encouraging home ownership.

In an endeavour to ensure that the service provided by the industry to the public is of the highest standard, the Bill provides that all real estate offices have to be managed by a licensed estate agent or a branch manager specially approved by the board to manage a particular branch office. Prior to granting approval, the board will have to be satisfied that the proposed branch manager is a sub-agent who has had at least four years' experience and has passed an exam prescribed by the board designed to ensure that the sub-agent is sufficiently well qualified to manage the branch office.

These provisions, together with clause 29 of the Bill which replaces section 20 of the Act, will, it is hoped, eliminate the practice of licence lending. Clause 29 elaborates and makes more specific the provisions against licence lending to overcome decisions in Magistrates Courts that the offence of licence lending did not occur unless an actual licence was physically handed over. The Bill provides that any agent who permits any person to represent himself as the holder of a licence shall be guilty of an offence. The purpose of these provisions is to ensure that the public can be assured that the persons with whom they deal in the real estate field are properly qualified for the task.

This Bill amends many other provisions of the Estate Agents Act 1958 and introduces new provisions affecting estate agents and sub-agents. These changes are designed to cure problems that that Act created both for its administrators and those subject to its provisions.

The definition of "estate agent" has been changed in form rather than in substance, and this change of form means that the word "business" has had to be defined in the interpretation section of the Bill. The definition of "small business" has been amended to include businesses sold up to $100 000 as opposed to the former amount of $30 000.

The Bill contains a definition of a "stock and station agent" and special provision is made in the Bill in respect of stock and station agents in that they are permitted to employ sub-agents partly in real estate work and partly in stock and station agency work. This provision means that stock and station agents in this respect are in the same position as declared corporations. Sub-agents employed both by declared corporations and stock and station agents may be deemed to have been employed full-time in sub-agency work if their real estate agency work with their respective employers is substantial. If the board so deems, this will enable such persons, all else being equal, to be eligible to obtain an estate agent's licence.

There is a provision in the Bill to exempt from holding a licence both agents of the Housing Commission and travel agents when performing traditional travel agency work. This is in addition to the previously existing exemptions. The Bill, unlike the Act, distinguishes between licensed estate agents who conduct an estate agency business whether in their own right, or as a partner or as a director, and licensed estate agents working in real estate as employees.

The Bill provides that the board may require an applicant for a sub-agent's licence to have some minimal basic qualifications.

The Act provided that one-half of the directors of a real estate corporation and the officer of the corporation in bona fide control of its estate agency business had to hold an estate agent's licence. The Bill provides that all directors of a real estate corporation who are engaged in the estate agency work of the corporation must hold an estate agent's licence. There is a saving provision in respect of sub-agent directors who have been directors for a period of five years prior to the coming into operation of this section.

In order to better manage and control the activities of sub-agents, the Bill provides that upon issue of a sub-agent's licence an "employer's copy" will also be issued, and it will be an offence for an estate agent to employ any person as

a sub-agent beyond a period of fourteen days unless the agent has in his possession a current "employer's copy" of the sub-agent's licence.

The Bill provides that licences shall be biennial as opposed to annual. The Bill provides that the names of all persons directly involved with the business of a real estate agency should be listed in a prominent manner at every place where business is carried on and on the letter-head of each firm.

The Bill introduces provisions to regulate franchise agreements. Franchising agreements are a comparatively recent innovation in the real estate industry and to date they have been by and large self-regulating. Such agreements have benefits not only for those involved but also for the general public dealing with the franchises. Because of the growth of the practice of franchising, it seemed appropriate that agreements to this end should be regulated and the Bill does regulate such agreements.

The Act permitted an estate agent commissioned to sell a property to purchase that property provided he obtained the consent in writing of the person by whom he was commissioned. The Bill places an absolute prohibition on an agent commissioned to sell a property from purchasing that property and the Bill sets out when an agent shall be deemed to be financially interested in the purchase of such a property.

Part VI. of the Bill deals with the very important matters of accounts and audit. A joint submission in respect of those matters was received from the Australian Society of Accountants and the Institute of Chartered Accountants. Following on discussions with a representative of the joint sub-committee of those bodies a number of amendments were made to the provisions of this part. These amendments are designed to ensure that what the Bill requires in the way of accounting and audit accords with modern accounting and audit practices.

The Bill makes more changes than those to which I have adverted. It is, as I have said, the result of a great number of submissions and lengthy and detailed discussions. It is not necessary for me to deal with each amendment and addition in detail as they are explained in the clause notes circulated with the Bill.

Arrangements have been made for copies of the second-reading notes, additional to the number normally supplied, to be available to honorable members in the Papers Room later this afternoon because of the great interest of the public and honorable members this Bill. I commend the Bill to the House.

On the motion of Mr CATHIE (Carrum), the debate was adjourned.

It was ordered that the debate be adjourned until Thursday, December 27.

RAILWAY CONSTRUCTION AND PROPERTY BOARD BILL

The House went into Committee for the further consideration of this Bill.

Discussion was resumed of clause 20 (Development of certain land)

Mr CRABB (Knox)—I move:

Clause 20, line 39, after "Board" insert "shall give notice in writing to the Councils of all municipalities in whose municipal district any part of the land is situate and members of the Legislative Assembly and the Legislative Council in whose electoral district or province any part of the land is situate that an investigation is being made; and a copy of such notice shall be published once in a daily newspaper circulating throughout Victoria and once in a local newspaper published and circulated in the area in which the land is situate and the Board, after considering any submissions made in writing by any council or any other person,".

The amendment proposes to make it mandatory on the new Railway Construction and Property Board to consult with municipalities and local members of Parliament prior to taking action or making decisions about certain areas. The wording of the amendment was taken from the section in the Railways Act that relates to the closure of level crossings. It seems to be as good a provision for making consultations mandatory as I could find.

At present, as proposed, clause 20 does not require the board or the Minister or any one else to consult with the community. It is a fundamental belief of the Opposition that the community needs to be consulted in respect of

public works of the nature contemplated in the clause. It is essential that there be consultation for democratic reasons, and it is also good sense. If the Victorian Railways and the Railways Construction Board had consulted with the community more often in the past, the railways would not have made some of the ghastly mistakes that they did.

This Bill which has been before the House for some months on and off was drawn to the attention of the City of Moorabbin which wrote to the honorable member for Bentleigh expressing its concern that no provision had been made for mandatory consultation with local government bodies. Other municipal bodies which have had experience with the railways and the Railways Construction Board would also like the inclusion in the Bill of a provision for mandatory consultation. The City of Nunawading has had many problems, as has the City of Melbourne in relation to the Metrol building.

Mr Maclellan—Consultations took place there.

Mr CRABB—The Minister may call them consultations, but the end result was a building that had not been proposed.

The Opposition believes there ought to be mandatory consultation between the proposed new Railway Construction and Property Board, local municipalities, local people and local members of Parliament. The provision proposed to be inserted by the amendment is exactly the same as the provision in the Railways Act relating to the closure of level crossings. If it is good enough for consultations to take place about level crossings, it is good enough in relation to the relocation of a railway station, the building of a new underpass, or overpass and so on. In the past the Victorian Railways and the Railways Construction Board have taken a cavalier attitude to planning control and all other types of regulatory mechanism. This amendment should be supported by the Committee.

Mr WALSH (Albert Park)—I support the amendment moved by the honorable member for Knox. If the Minister is prepared to accept the amendment, and consultation takes place, there is no doubt that proper development of railway land and property will occur. Recently, in the electorate of Albert Park, when VicRail intended to demolish a verandah at the Port Melbourne railway station, it was necessary for the mayor to ring the Minister of Transport at 12 midnight and get him out of bed. Through that prompt action the verandah was not destroyed. People in the municipality thank the Minister for that prompt action. If the local council had known earlier about what was proposed, there would not have been the need for the mayor to ring the Minister at that late hour.

Also in the electorate of Albert Park, it was proposed by the railways, without consultation with the council, to use pink bricks in the Albert Park railway station, thus destroying the nature of the building. That destructive action is now being rectified because of the efforts of the council and the community and the fact that they knew to whom to turn to have it rectified. If the amendment is accepted, consultation will take place, and that will be in the best interests of the community. There is no doubt that this will result in an improvement to railway stations and properties because local councils have ideas about what should be done in those areas. When the board indicates what is proposed, those local bodies will be able to comment and offer suggestions to expand or improve the stations. It is hoped that the Government will accept the amendment, and I am pleased to support the honorable member for Knox.

Mr B. J. EVANS (Gippsland East)—The National Party cannot agree with the amendment which will create a situation where the new Railway Construction and Property Board will be looking over its shoulder in every activity it takes. The amendment is all-embracing and does not contain a suggestion that consultation should take place only when major works or works of great significance are contemplated. It means that every time the railways want to

carry out a minor job or make a minor change consultation will have to take place.

The board should engage in the normal consultations required of any other organization in making decisions of this kind, but I believe people must accept responsibility for their decisions. I cannot understand the logic of the argument of the Opposition which so frequently attacks Ministers for things that have gone wrong in their departments, but at the same time advocates that so many of the matters under the control of Ministers should be taken from them by forcing boards to consult. In the final analysis someone must make a judgment, and the people who make the judgments must accept responsibility for them. That applies in this case. These requirements will simply hamstring the operations of the board and I know of no reason or advantage in the amendment.

The honorable member for Albert Park pointed out that the problems in the electorate that he represents have been resolved. I do not believe that if everybody is consulted, every problem will be solved. If the system is flexible and the authority realizes that what it is doing is contrary to what is popularly acceptable in the community, it can rectify any mistake that has occurred. That would be far cheaper to the community than a system which would be clumsy, top heavy and inefficient. The fewer the number of people involved in making decisions, the more efficiently any organization runs. The main point is that the railways should accept responsibility for the decisions and be ready to change the decisions in the light of public opinion if they are shown to be wrong.

Mr MACLELLAN (Minister of Transport)—The Government does not accept the amendment. One of the major aspects of this proposal is to entrench an amendment into the legislation which would make is unworkable. The honorable member for Albert Park talked about pink bricks, which I would hate —if we are going to consult on the colour of bricks nothing will be done. Obviously there are levels of proposals about which there ought to be consultation and the Railways Board is commanded by the Premier what consultations there shall be, and there are. Sometimes, as the honorable member for Richmond would know, the consultations get us into more trouble than one would think possible. Consultations about significant matters of community interest are important and are held. I am surprised that the honorable member suggests that there have not been consultation. During my benign reign as Minister of Transport, I might have consulted too much and not made enough decisions, but I will leave that judgment to other people.

I am not prepared to accept such an amendment. Clause 20 deals with the development of railway land. There are literally hundreds of shops on railway land. There is an ANZ Bank at the Middle Park railway station. If the bank wanted to extend the wall, a building permit would have to be obtained from the local council for that commercial activity—it is not a railway activity—and that is when consultation takes place. Clause 20 (1) states:

> The Board may recommend to the Minister that an investigation be made to ascertain whether particular land vested in the Victorian Railways Board or in the Board could be put to better use.

Perhaps someone has an idea that the land next to the ANZ Bank, which is a leasehold property of the Middle Park railway station, might be put to better use, but according to the amendment, without knowing the suggestion, I would have to tell local members of Parliament that I am about to investigate the use of a piece of land. I must also tell the council before the idea has been refined.

I find it interesting that this suggestion should come from the City of Moorabbin because I was delighted to meet the council of that city and offer help to finance a joint study of land behind the council offices. The council would like to take over the railway house and add it to its property. The council was talking about a project on railway land and what would happen.

I would welcome the opportunity if it were entrenched in the Local Government Act that local government should consult with the Ministry of Transport, but I think we can survive without it being written in the Act. The Moorabbin City Council had a number of ideas for using the land behind its offices but it did not have to consult with me before examining those ideas. When the time arrived for involving railway interests, naturally consultation commenced. The Government backed the council with funds to enable the council and railways to study what might be done. That study is under way and I look forward to the result.

The Government consults on major projects and perhaps carries consultation too far down the line rather than only consulting on major works. I do not want to define what a major work is because what may be major in one municipality may be of no significance in another.

Obviously, in relation to the closure of a railway crossing, to which the honorable member for Knox referred, because it would involve the existing rights of people to use a crossing which has been in existence for years, consultation would occur. Naturally, one does not take something away without consultation.

Mr Crabb—You are closing stations without consultation.

Mr MACLELLAN—I am sure that when the honorable member for Knox examines his remarks in *Hansard*, he will realize that he has not stated the truth. Not one station has been closed in the past 13 months without consultation. If the honorable member suggests that the Government wants to rebuild two stations in the area represented by the honorable member for Richmond and close one station, I point out that consultations on that question started in the office of the Leader of the Opposition with the local member present. Those consultations were not commanded by legislation.

I defy the honorable member for Knox to mention one railway station that has been closed since I have been Minister of Transport without consultation having taken place, because there has been consultation in every case. The honorable member makes the allegation to support an amendment which goes too far. The amendment is ridiculously drafted and has been pirated from a section of the Railways Act. It talks about withdrawing existing rights and tries to impose it on this legislation.

Although the honorable member for Knox appears to support the proposed legislation, he is making sure it will not work. Without the amendment, something might actually get done. On behalf of the Government, I am not prepared to see this legislation twisted and turned to the point where is becomes unworkable by trying to enshrine the principles of consultation in it. Those principles are accepted and practised by the Government. I challenge the honorable member for Knox to name one railway station—he made the charge—which has been closed without consultation.

Mr Crabb—The honorable member for Richmond will tell you about that.

Mr MACLELLAN—Not one railway station has been closed without consultation. The honorable members for Richmond and Knox should know that the Leader of the Opposition and I sat in his office—the honorable member for Richmond was present—at the very earliest stage before the "decision" was made. I use the word "decision" in inverted commas because, at that stage, it was a proposal. Those consultations have not yet been completed and no decision has yet been made.

Small suburban newspapers try to boost their circulation with local controversies by spreading rumours to get the local community to believe that some decision has been made. The honorable member for Richmond knows that a decision has not been made and will not be made, if I can help it, without him being the first to know. No decision will be made until consultations have been completed.

I am unhappy about the disorderly state of the railway stations it is proposed to rebuild. With the co-operation

of the honorable member for Richmond and the local council, the Government will restore those stations to order. The honorable member for Knox makes charges, but the fact is that consultation has taken place. He should also know how often I am involved in consultations, or at least in starting them and allowing them to continue. If a complaint that no consultation has taken place in some area is brought to my attention, I shall do my best to ensure that, where it is of significance to the local community and where consultations are needed and are not practised, the Government will meet that demand and responsibility.

Clause 20 deals with investigating the possibility of using railway land for some other purpose. It has not gone beyond that. If the honorable member for Werribee were present, he could tell honorable members how he was brought into local consultations about the area. I arranged for the honorable member for Werribee and the local council to sit down with consultants, and they have done so on many occasions, to decide on proposals which I have not yet received. The honorable member for Werribee would know more about proposals in that area than I would. No decision will be made until I receive those proposals, but the local member has been involved in discussions involving approximately $1 million for the use of surplus railway land for housing and industry. The proceeds will be used for part of the cost of the electrification of the railway line to Werribee.

Irrespective of what area honorable members represent, it is important that they should know what is happening in their area. At the same time, a local member cannot say that a project will not proceed in his area because it is a matter for the Minister to arrange with the railways and the Railway Construction and Property Board to consult at the earliest opportunity, but the earliest opportunity is not in relation to clause 20 of the Bill.

Mr Maclellan

Mr CRABB (Knox)—On Thursday morning one does not expect the debate to be the most erudite for the session, but one would have expected the Minister to have at least read and considered the amendment. The matter has been on the Notice Paper but the Minister and the spokesman for the National Party have not taken the trouble to consider what they are talking about. Their arguments were spurious because they had nothing to do with the amendment. The amendment requires the Railway Construction and Property Board to notify local members of Parliament and local municipalities, and to put an advertisement in the newspaper before it completes its recommendations to the Minister.

The Minister of Transport says that it would make his entire department unworkable if he had to tell the people that he is considering the redevelopment of some railway land.

Mr B. J. Evans—That is not where it would stop.

Mr CRABB—I suggest that the honorable member should read the Bill. It is hopeless talking to some people. The Committee is discussing clause 20 and the development of railway land. What the Opposition is asking is reasonable, namely, that it ought to be mandatory that the Railway Construction and Property Board should notify the people who are likely to be affected—members of Parliament and municipalities—and to advertise in the paper. The Minister says that this is unworkable. We know he could not run a pie stall, but surely he could put an advertisement in the newspaper without falling apart.

The amendment provides that notification shall be given to the people who are likely to be interested or are likely to make submissions. One would think that would assist the Railway Construction and Property Board, the Minister and the Parliament. That is all that is asked for. The National Party wants to vote with the Government and has reached a stage of supporting the Government without reading the amendment. That is fair evidence of a *de facto* coalition.

The CHAIRMAN (Mr A. T. Evans)—Order! The honorable member for Knox should speak more closely to the amendment. That definitely has no relationship to the clause. I asked the honorable member to abide by his own opinion when he first started speaking.

Mr Dunstan—That is why I can't understand it. You won't explain it. Get back to the amendment.

Mr CRABB—I will explain it and I think even the honorable member for Dromana will understand.

Mr MACLELLAN (Minister of Transport)—On a point of order. If the honorable member has explained the amendment three times, I suggest he must obviously be trespassing on the Standing Order relating to tedious repetition and I suggest that you bring him to order on the matter.

The CHAIRMAN (Mr A. T. Evans)—There is no point of order.

Mr CRABB (Knox)—Despite the fact that I have explained the amendment three times, clearly the Minister, in addressing the Committee still did not understand, because he spoke about the need to consult. Was it local options that would make the proposal unworkable if local members had the power of veto? The amendment asks that it be mandatory on the Railway Construction and Property Board to notify local members of Parliament, local municipalities, and to put an advertisement in newspapers, prior to making a recommendation to the Minister on the development of railway land. The Opposition believes, as a matter of principle, that ought to be included in the Bill.

Mr WALSH (Albert Park)—Apparently the amendment has not been read properly by the Government or the National Party. In some cases, VicRail does not even consult the Minister, and he has to get the mayors of the cities to inform him of what is going on in the railways. As the honorable member for Gippsland East said, those who make the decisions will be responsible, and if they want to take the good with the bad, they will have to live with the decision. However, when historic buildings in municipalities are being destroyed without any consultation——

Mr Maclellan—That has nothing to do with it.

Mr WALSH—Historic railway buildings have been destroyed and a new building erected without consultation. In some cases, it may be that some sort of commercial enterprise is being put there, but it is destroying local businesses. There was lack of understanding when the National Bank was erected next to the Albert Park railway station. Surely consultation with the local council is not too much to ask. The Government is not providing for this consultation. I heard a Minister say to the Leader of the National Party not so long ago, "Don't you believe in consultation?" Is he the only one in the Government who believes in consultation?

The Opposition asks that there be consultation with local councils, the local members of Parliament, and that an advertisement be placed in the papers so that people will know what is going on in their area. The Government is not running the railways as efficiently as it should be.

The Committee divided on Mr Crabb's amendment (Mr A. T. Evans in the chair).

Ayes	31
Noes	45
Majority against the amendment	14

AYES

Mr Cain	Mr Remington
Mr Cathie	Mr Roper
Dr Coghill	Mr Rowe
Mr Crabb	Mr Sidiropoulos
Mr Culpin	Mr Simmonds
Mr Edmunds	Mr Simpson
Mr Ernst	Mr Spkyer
Mr Fogarty	Mr Stirling
Mr Fordham	Mrs Toner
Mr Ginifer	Mr Trezise
Mr Hockley	Dr Vaughan
Mr Jolly	Mr Wilkes
Mr King	Mr Wilton
Mr Kirkwood	*Tellers:*
Mr Mathews	Mr Gavin
Mr Miller	Mr Walsh

NOES

Mr Austin	Mr McKellar
Mr Balfour	Mr Mackinnon
Mr Birrell	Mr Maclellan
Mr Brown	Mrs Patrick
Mr Burgin	Mr Ramsay
Mrs Chambers	Mr Reynolds
Mr Coleman	Mr Richardson
Mr Collins	Mr Ross-Edwards
Mr Crellin	Mr Skeggs
Mr Dixon	Mr Smith (*South Barwon*)
Mr Dunstan	Mr Smith (*Warrnambool*)
Mr Ebery	Mr Tanner
Mr Evans (*Gippsland East*)	Mr Templeton
Mr Hamer	Mr Thompson
Mr Hann	Mr Trewin
Mr Hayes	Mr Weideman
Mr Jasper	Mr Whiting
Mr Jona	Mr Williams
Mr Kennett	Mr Wood
Mr Lieberman	
Mr McArthur	
Mr McCance	*Tellers:*
Mr McClure	Mr Cox
Mr McInnes	Mr McGrath

PAIR

Mr Amos	Mr Borthwick

Mr CRABB (Knox)—I move:

Clause 20, page 9, line 5, omit "the Governor in Council—" and insert "the Minister shall give notice in writing to the councils of all municipalities in whose municipal district any part of the land is situate and members of the Legislative Assembly and the Legislative Council in whose electoral district or province any part of the land is situate that the recommendation has been made to the Governor in Council; and a copy of such notice shall be published once in a daily newspaper circulating throughout Victoria and once in a local newspaper published and circulated in the area in which the land is situate and the Governor in Council after considering any submissions pertaining to the recommendations which have been made in writing by any council or any other person within two months after notices have been given and published—".

This amendment is similarly worded to that which the Government and the National Party has just defeated. The intention of the amendment is that notice ought to be given by the Minister to members of Parliament, to municipalities, and the public through the newspapers, when recommendations regarding the development of railway land are submitted to the Governor in Council.

The object of the amendment is to give members of Parliament, municipalities, and ordinary citizens and taxpayers the opportunity of commenting on the recommendations prior to their final approval by the Governor in Council. I hardly expect the Government to accept this amendment any more than it accepted the previous amendment, because the Minister seems to have taken a decision that he wants to conduct the affairs of his department without having to inform members of Parliament, municipalities or anyone else. I find that fairly surprising because I thought the Minister was starting to learn that the bureaucracy, for which he is responsible, is not particularly good at informing him of matters. It should be mandatory that members of Parliament be informed. At least the Minister will agree that he should be notified and I thought that was the only way he can be assured of that. I support the amendment.

The amendment was negatived.

Mr CRABB (Knox)—The Opposition has moved three amendments to clause 20, all of which have been rejected by the Government, but it is clear that this clause covers the situation which currently exists in the Richmond area.

The Minister challenged me a moment ago to say which railway station was closed without consultation. Let me talk about West Richmond and what the Minister would define as consultation. The reason the station has not been closed is that local municipalities and citizens would not let the Minister close it. It was well on the way to the decision being taken.

The CHAIRMAN (Mr A. T. Evans)—I cannot tolerate across-the-table exchanges between the Minister and the honorable member for Knox, as other members of the Committee cannot hear their comments. The Minister will have ample opportunity to reply to the honorable member for Knox at a later stage.

Mr CRABB—It was only because of local pressure that the stations were not closed. The propostion was that three stations would be closed and that two would remain open.

It is important that the Committee, especially the Minister of Transport, appreciates the history of the matter. I will leave it to the honorable member for Richmond to inform the Committee in detail on the subject.

Mr SIDIROPOULOS (Richmond)—Last year, on 16 November, the Minister of Transport met with the Leader of the Opposition, myself and the then Director of Planning, Mr Gallagher, to discuss a new proposition for railway stations in the Richmond electorate. It was decided that there was a need for rationalization of the stations because of their dilapidated condition. It was also decided that, before any decision could be made, there should be consultation with the two municipalities of Collingwood and Richmond. Following that meeting, arrangements were made and Mr Gallagher met the Collingwood City Council to which he made the following propositions: Firstly, to demolish and build a new station at North Richmond. Secondly, to close down Collingwood and Victoria Park stations and build a new station on the south side of Johnson Street, thus combining the two stations into one. Thirdly, to close down West Richmond station. Under that proposal, two of the five existing stations will disappear and only three will remain to serve Richmond and Collingwood.

The plan is linked with the proposal to construct the Eastern railway line, starting from the Eastern Freeway, through Bulleen and on to Doncaster. If and when that line is constructed, it will join the existing line at Victoria Park station. This will obviously increase the pressures on the Clifton Hill line which serves the Epping and Hurstbridge lines.

As a result of the increased pressure, it is obvious that an extra line will be needed. The extra line will be confined and its construction will mean the demolition of houses and factories. It would be easier with the third line if the West Richmond station were removed. That station was recently renovated and the North Richmond station is under reconstruction.

The Minister of Transport has had discussions with representatives of the two councils, myself and gave the following reasons for the proposals: The population in the area has not reached the expected levels and there is a lack of commuter support; there is a need to reduce staff and the deficit; there is a need to save energy; and, finally, there is a need to save time on the line.

Statistics prove that the decline in the number of people using the stations and the lines through Richmond is less than most other lines in Melbourne. The Government has failed to provide incentives for people to use the public transport system. Instead of lowering fares, the Government has increased fares. Instead of extending the services, the Government is cutting services. Instead of employing people, the Government is putting people out of work because it is not replacing those who leave the railway's service. The Government is interested in reducing public expenditure at the risk of increasing unemployment. That situation is to be deplored when the unemployment level is unacceptable to all.

The deficit of the Victorian railways can only be eliminated by increasing and improving public transport facilities and encouraging people to use those services. There will be no savings of energy resources if the Government continues to close down stations because people will have to rely more on private transport, using up more energy, increasing road traffic, increasing pollution, and the levels of lead in the atmosphere. To close down any station will adversely affect a wide range of community facilities to which people currently have access through the stations between Jolimont and Clifton Hill. Those facilities are libraries, hospitals, football fields, elderly citizens clubs and infant welfare centres. To close down any station in Richmond will cause hardship and disadvantage to school children, pensioners, and factory and office workers who depend upon public transport

The Labor Party is opposed to the Government closing down any railway station in either Richmond or Collingwood. The Government should upgrade the existing stations and improve public transport services so that people will be encouraged to use the systems. I

support the amendments moved by the Shadow Minister of Transport, which have been defeated.

The clause was agreed to.

Clause 21 (Board to manage and control land for development)

Mr CRABB (Knox)—I would have moved a certain amendment to clause 21 but a private member is not able to move an amendment which affects a financial provision. I draw the attention of the Committee to clause 21 (i) (*e*), which states:

> . . . with the consent of the Governor in Council, sell the whole or any part of land in respect of which the Board has a freehold title;

The Railway Construction Board Bill, which was introduced in 1978, is analogous in every way to this measure. It was withdrawn and this Bill was introduced. The earlier Bill gave the Railway Construction Board the power to purchase, sell or exchange any land.

This Bill does not give the proposed Railway Construction and Property Board the power to purchase, sell or exchange any land. If it had been within my capacity as a private member, I would have moved to insert the words "purchase, sell or exchange any land" after the words "Governor in Council" in sub-clause (1)(*e*). I draw that matter to the attention of the Minister of Transport and suggest that either he or the Minister in another place move that amendment. I cannot understand how the proposed Railway Construction and Property Board will function without being able to purchase and exchange land.

The Bill envisages the development of the Box Hill and Frankston modal interchange systems, amongst others, which will involve extensive commercial development. Presumably those types of developments can take place anywhere. For example, the only reason Boronia exists is because of a railway station; that was the first place established in the area and the same could be said about many other places in Melbourne. Most stations around Melbourne are usually scabby wooden buildings in the middle of derelict areas near shopping centres. Many extensive commercial developments have taken place around railway land, but that land has never been used to benefit the community. The only use to which railway land adjoining stations has been put is car parking. That is the type of situation envisaged by the Bill.

The increases in land values in areas around suburban railway stations have not accrued to VicRail but to those who own adjoining or abutting land. No doubt the honorable member for Doncaster will give the Henry George League argument a much better service than I am able to.

It is not enough to give the proposed board power to sell railway land. It should have the power to purchase and exchange land. The reality is that the Railway Construction and Property Board will not be able to purchase or exchange land. Therefore, the board will be unable to do the job that everyone expects of it. I invite the Minister of Transport to consider the amendment I wanted to move.

The clause was agreed to, as was clause 22.

The sitting was suspended at 1 *p.m. until* 2.3 *p.m.*

Clause 23 (Board to manage and control housing)

Mr MACLELLAN (Minister of Transport)—I invite honorable members to vote against this clause. The purpose of omitting the clause is to substitute in place thereof the new clause on page 2 of the amendments in my name circulated to honorable members. I add by way of explanation at this stage that the proposal, which I understand the honorable member for Knox will be commenting on, is that whereas the Bill provides for the Railway Property and Construction Board to take over all railway housing, I have had representations involving both the opinion of the VicRail board, supported by VicRail staff associations, if I can use that broadly, and white collar union groups, the Transport Officers Federation, that there would have been a real risk to them if all housing had been moved across to this new board. Work patterns, security of employment, promotion and work would have been seriously damaged.

I have indicated that it is my view that this new board will work wherever possible with seconded officers. It will second existing VicRail people with skills in property management and so on; surveyors and legal officers are all in VicRail management. Wherever possible, the board will not be employing new staff or, indeed, putting work out for contract to private consultants and people like that, but will build on the skills already available. If there is an overload of work, outside people may be used.

There was a problem that VicRail as an organization subsidizes the housing of a small percentage, about 10 per cent, of its total employment to the extent of $1·3 million a year. The subsidized rents are artificially low and do not take into account that the houses are also subject to heavy repair bills and so on. Therefore, it is a direct rental subsidy of $1·3 million a year. When one looks at some of the houses it is obvious that some of that subsidy has been recovered by neglect of the houses. They have simply not been kept up to a proper standard. There is a difficulty, because to bring those houses up to a proper standard and invest a lot of money in them and yet be able to recover that amount in additional revenue would involve further outgoings. There has been tension and unresolved difficulty with railway workers, many of whom have given years of loyal service, and who move around the system in the course of their careers. Their wives are expected to occupy some of the worst houses available in the State. I hope to find a solution to the problem.

The proposal in the new clause is that surplus housing should be transferred to the new board, and that the active housing, if I may put it that way, should be retained by VicRail. VicRail will continue to subsidize the rents and to manage those houses. I hope the honorable member for Knox is not surprised at this. He might be disappointed but I hope he is not surprised.

Mr Crabb—This is the first we have heard about this. It is a bit different to the Bill. It does not say, "surplus" there.

Mr MACLELLAN—It says the surplus which the board is able to hand over. As the honorable member for Sunshine knows, we are presently disposing of houses.

Mr Fogarty—That is only one estate.

Mr MACLELLAN—Yes, but if having succeeded in disposing of some of the housing we have funds, those funds are to be invested in new housing. I hope the new housing will be made available to VicRail for occupation by active railway workers as part of an upgrading policy of getting housing up to standard. VicRail will be handing over these houses to the board for disposal and sale but not demolition. Demolition has to be the last resort, surely. These houses are community assets and should be put to the best possible use. VicRail will handle their disposal either by sale, rental to private individuals or other Government departments, and so on, and the money will be invested in new housing for active railway workers.

Compromise has been reached with the unions, the transport officers and the VicRail boards concerned. If a new board took over all the housing, lock, stock and barrel, there was a worry amongst the blue collar unions that the subsidy policy of VicRail might be surreptitiously changed by the new board.

Mr Crabb—Because they do not trust their bosses.

Mr MACLELLAN—I think it is more that they do not trust the Minister to be able to ensure in future years that the same subsidy rental policy will be pursued. I suppose as people grow to trust each other and to know each other better and longer, this situation may well be reviewed at a later stage, but at present it seems a useful technique to be able to say that we will manage the surplus housing and dispose of it. We will leave the active housing with VicRail, with the existing management, with the existing subsidy policies and with the familiarity that

gives. We will second expertise between this new board and VicRail's existing staff. I have every hope that we will eventually review this matter in the House and move—possibly the honorable member for Knox would like us to do so immediately—to a stage where all railway housing is in fact managed by one authority and not divided in two.

The honorable member for Sunshine would know the situation in the estate which he has been helping us with. I thank him and compliment him for his work in studying what otherwise would be a disaster area in Sunshine where there is a mixture of active railway housing, empty houses, vandalized housing, and empty blocks of land. We need to try as hard as we can to sell surplus houses, redevelop housing on empty blocks and give active railway workers the opportunity of moving into the upgraded houses. That is important. That estate was brought out after the war and has been in service for many years. It is remarkable that it is still in the condition it is. The houses are very good inside and the people have looked after them well. I hope the people living in these houses will be encouraged to buy them if they wish, or move into better houses provided from the funds from the sale of houses, the development of empty blocks, and so on.

We will not, in effect, be pushing and shoving people around but be creating opportunities for people. Firstly, they will have the opportunity to buy. We have already managed to do that administratively where surplus houses are now being advertised to railway workers. As many as twenty workers were applying for houses at the Valuer-General's figures. We have a ballot and sell to the person who wins the ballot. That is a good thing. It is entirely a matter for the railways whether the houses are redeveloped or sold. Whether the houses are developed on their own land in the first instance or on other land is entirely under the control of the railways. If they want to buy houses for housing they may do so but at the moment they do not have the funds and will not have the funds until the situation is cleared up.

The objectives are to sell surplus housing, preferably to railway workers, and thereafter to Government departments and municipalities, and there is a whole list of that procedure. It is intended to use the funds and isolate them so that they are reinvested in housing and not transferred for other purposes, because there is a great need for better housing; to build new houses where the need arises, increasingly transferring active railway workers out of existing railway rental housing into new railway rental housing or houses they have purchased. Honorable members will agree that these objectives are good. Some honorable members will want to reach the situation where one authority controls all the housing and concentrates on it. Other honorable members will agree with me that maybe we should move more slowly.

I refer to the concern of the blue collar unions in respect of subsidy policies. They will no longer be dealing with VicRail but with the new board and are worried that the subsidy policy might be changed. The white collar workers and the transport officers are concerned that they will be left in the railways and the work will be with the new board, and wonder what will happen to their career and job opportunities. I have made it clear that we can cover that situation by seconding to the new board those members of the VicRail organization who have the necessary and proper skills to assist us in this work. It is a compromise and like all compromises there is a bit of give and take. I think it represents a useful compromise at this stage of the development of our ideas on the Bill. I commend the proposal to the Committee that the present clause 23 should be omitted and replaced with new clause AA.

Mr CRABB (Knox)—The Minister has now clarified the situation further by saying that the Railway Construction and Property Board is to have possession only of surplus railway houses. The whole problem that has existed with railway houses—and I

thought this Bill was a sensible measure to try to solve it—has been that the Victorian Railways Board has not been a good property manager for its employees. The honorable member for Sunshine will give the House some details of that in due course. Each branch of the railways had its own houses. In one country location the members of one branch could not get houses because there were not enough, while another branch was in the process of selling houses. That is the sort of nonsense that has been happening, and it shows the chaos that exists at Sunshine.

I commend the Government for its efforts at Sunshine; it is working well in reorganizing and rehabilitating the area, but how can that be done when what the Minister calls active houses are to be under the control of the Victorian Railways Board and what he calls surplus houses are to be under the control of the Railway Construction and Property Board? It is beyond me. That is taking the situation back to square 1, as it was before.

The Minister made this proposition as a compromise; honorable members have heard a lot of that word over the past few days. The membership of the Transport Officers Federation contains a large body of stationmasters and people of similar grades who live in subsidized railway housing, as they should; they are moved from one place to another, and any organization that employs people in that way would subsidize their housing because it could not expect them to buy a house in one country town, sell it two years later and buy another one.

Mr Ross-Edwards—Many people do so.

Mr CRABB—That may be so, but the system that operates is sensible. The rental subsidies have been part and parcel of the remuneration package of these employees for a long time. What the unions are concerned about in the main is to obtain a categorical assurance that the subsidy arrangements will continue. All that was required was for the Minister to put that proposition on paper on behalf of the Government.

However, the Victorian Railways Estates Branch, which is terrified of losing part of its empire to the new board that is being set up, used this concern by the unions to do a "snow" job on the Minister. The Minister has been rolled over, so that instead of railway housing being transferred from the Estates Branch to the new Railway Construction and Property Board, it is being left where it is, and the bureaucracy that has been mismanaging it since time immemorial will continue to do so under the proposed amendment that the Minister has put forward.

The Opposition strongly supports the retention of the original clauses 23 and 24. In its view it is entirely impractical to operate where some railway houses are under one type of ownership and others are under another type of ownership. One of the fundamental reasons for introducing the Bill was because of the chaos into which railway housing has fallen.

Mr Fogarty—Sometimes the land on which the house is built is under two different ownerships.

Mr CRABB—That is an extension of what I have been saying; the land is sometimes owned by two different authorities, so the house actually covers two pieces of land.

The Bill was introduced for all the best reasons, in my view; its purpose was to deal with railway housing, and the board ought to be controlling railway housing, renovating, rebuilding and selling where necessary. It should be organized on a professional and expert basis, which is what all members of the House would want to see.

However, there has been an outcry from the Estates Branch of the Victorian Railways because understandably, I guess, the men in that branch were concerned that their empire was dissolving; they believed their jobs and promotion prospects would not be quite as good because the new organization might not provide them with the same security as they have in their existing employment. When the Minister of

Transport tries to take on his bureaucracy, his bureaucracy wins every time, and that is what has happened in this case.

The Minister is to move for the omission of clause 23 and has foreshadowed that later in the debate he will move to insert a new clause. That is a straight back-off from what the Bill is all about. The measure deals with only two matters: the first is the development of railway land, and we have been referring to land at Box Hill, Frankston and other cities, and the second is railway housing. The omission proposed by the Minister would virtually cut out control of railway housing by the Railway Construction and Property Board Bill. The only housing of which this board will have control will be what the Minister calls surplus housing. The Victorian Railways Board will say, "Here is a surplus house, you can have it," and the new board will say, "Thank you; we will sell it"—that is all it is going to do. Presumably the Victorian Railways can do that itself. The Opposition is not worried about the capacity of the Victorian Railways to sell railway houses; it is worried about its capacity to manage and maintain active houses occupied by railway employees.

The Opposition is in a strange situation. I am arguing in favour of the Bill that was originally introduced by the Minister and against the proposed amendments he is now to move, and I urge the House to reject the proposed amendments and support the existing clause.

Mr FOGARTY (Sunshine)—The Minister made great play of the words "surplus housing". I relate my contribution to the debate to the electorate I represent, which contains the largest number of railway houses in Victoria—almost 400 homes. The Minister has also dwelt on the fact that a committee was set up to deal with railway housing in a particular section of that electorate, namely, the South Road estate. That estate is a disgrace to VicRail and to the Government and an embarrassment to me as a representative of the area as well as to the City of Sunshine.

The Minister played on the point that the committee was set up. It comprises representatives of VicRail, local government, the Housing Commission, a Parliamentary representative and three tenant representatives, but it applies to only a small section of the over-all VicRail content of the electorate of Sunshine, that is, the South Road estate section. The committee was set up 25 years too late. It was established at a time when about 100 houses in the estate were under review; many had fallen down and because of lack of maintenance were in such a dilapidated condition that a bulldozer would have done a good job.

Other houses in the estate were in very good condition, not because of the maintenance programmes of VicRail, but because of the good housekeeping and home pride of the tenants. Many tenants left good homes in country areas to come to Tottenham because of a shift in employment, and as a result over that period have not been able to establish themselves in one area. Other employees of VicRail have been obliged to come to Tottenham because railway lines have closed down, different methods of transport have been adopted, to enable railway employees to take trade courses, and other similar factors, so there has been no stability in the area. There have been changes in 40 and more houses each year. That means the houses are occupied by different tenants who have different views on how a home should be kept, and as a result many of the homes in the area are now beyond repair.

The Minister referred to surplus homes, but the committee was told frankly that within ten years only 50 houses in that estate will be required. With due credit to the Minister, while the committee has been negotiating, all homes in the area have been withdrawn from sale pending the results of the investigations being carried out by the committee. Consultants have now been employed by VicRail to conduct a complete and thorough investigation of the homes in the area, and the Minister will be surprised when he receives the results of those investigations. Houses that he may have thought to be worth $25 000 each will be found to be worth

land value only. If the houses are to be updated, another $10 000 will have to be spent on each house, so even if the land value is $20 000 and $10 000 worth of renovations are carried out, the total value of such a house may not exceed $24 000. That is the problem that may confront the Minister.

The honorable gentleman has emphasized that he would like railway workers to buy the houses. Some houses would be of benefit to railway workers, but others would not be accepted as a gift. For the 25 years that those houses have been there it has been the responsibility of VicRail to provide proper maintenance, but it has failed to do so. The maintenance programme has not been constructive or continuous, and therefore the whole area has deteriorated. If the Minister, who has taken an active part in the past twelve months or so in investigating the area, is going to allow developers to come into the area, the same situation may occur with VicRail houses as occurred with Housing Commission houses. Land bandits and unscrupulous real estate agents will try to buy the houses in bulk, and that would be of no benefit to the area.

VicRail wants to dispose of its railway houses, and the Housing Commission has lodged advertisements stating that it wishes to buy houses. There are many acres of Government-owned land in the area, and surely it would not be too much to ask, if redevelopment is to take place, that it be done by the Housing Commission in close co-operation with VicRail. The firm of A. V. Jennings has already carried out an investigation into the type of home which may benefit the area, and has quoted an average cost of $22 000 for the house only.

The honorable member for Knox emphasized that the land in the area had been subdivided in a number of ways including single blocks and multiple titles; other houses have been built on railway property or Government land, and this will cause confusion. The fact that the workers have been given the opportunity of buying the homes is of benefit because many of them have looked after the houses. However, one cannot expect railway workers or any other tenants—the Minister mentioned employees of other Government departments—to occupy those houses in their present condition. The Houses must be updated, and I hope the Minister of Housing will visit the area and look at the houses to see whether he can work in close co-operation with the Minister of Transport so that the whole area can be made a show piece for the City of Sunshine, not a dilapidated dump that the municipality cannot be proud of.

Each municipality wants to have something established in its area of which it can be proud and there is no reason why the two Government departments cannot work in close co-operation to achieve this objective. After all, the land has been paid for. Whether there can be a simple book entry transferring the land from one department to the other is doubtful, but no matter how the transfer is carried out the land has been paid for.

Unfortunately the committee—I am not divulging anything confidential—has been informed that within ten years only 50 homes will be required in the whole of the municipality of Sunshine. That means that more than 350 homes, many of which are now vacant or ready for demolition or reconstruction, will be surplus.

Why does the Minister of Transport keep stressing that the proposed new board will deal only with surplus houses when in the area I represent three-quarters of the homes will be surplus anyhow?

Mr WALSH (Albert Park)—I oppose the deletion of the clause from the Bill. The Opposition holds the view that this is one of the best features of the measure. When I read the Bill, I thought to myself that it was probably in the best interests of all railway workers, especially those who rent houses from VicRail, to have one board looking after all the houses. I agree with the Minister of Transport that many of them need renovation and money spent on them. If one board is to be responsible for these houses, then the method proposed in the clause is the way to do it.

No doubt, before the Bill was introduced, a lot of homework was performed on it to ascertain the best method of administering railway houses. The clause spells out quite clearly that railway houses should come under the proposed Railway Construction and Property Board and, if that occurs, people will know where they stand.

There is a shortage of railway homes between various sections of VicRail. Even though a house may be vacant, it may be claimed that it is required for a guard, but a shunter wanting a house cannot obtain one although a house may be empty because it is being kept for a guard to occupy.

If the present clause 23 is retained, there is no doubt that some houses would be available and railway workers could be allocated houses. It would be in their interests for the new board to take over all houses, but apparently it is the Government's view that that would be wrong. Under the proposal, one shunter could have the new Railway Construction and Property Board as his landlord and another shunter could have the Victorian Railways Board as his landlord. I hope the Government accedes to the arguments advanced by members of the Opposition and allows the clause to remain in the Bill.

Mr GAVIN (Coburg)—The Bill covered three functions to be performed by the new Railway Construction and Property Board, namely, the construction of railway lines, the development of railway land and the remaining function was to be the management and control of railway housing. The Minister has informed the Committee and made it quite clear that in future few railway houses will come under the new board. That being the case, I suggest that one-third of the Minister's second-reading speech is no longer meaningful and I am wondering why the honorable gentleman made a second-reading speech seeing one-third of it has been thrown out the window.

The particular point I raise on this clause is that the Minister of Transport stated that in future the new board would control all houses which are deemed to be surplus and need to be sold. The particular question to which I desire an answer is who is going to determine or how is the new board to determine what houses are surplus? Will the new board bear in mind the future needs of railway workers when there are transfers effected within the railway system throughout Victoria?

It would appear that many houses could be required in future and what might be regarded as surplus now, could be required at some future period. I would be appreciative if the Minister would respond and indicate how the surplus problem will be determined.

Mr SIMMONDS (Reservoir)—The Opposition seeks an assurance from the Minister of Transport that the Government will reconsider its position on this clause. Railway houses are scattered throughout Victoria. A large percentage of them are unoccupied and extensive expenditure is needed to at least maintain those premises in a condition which may ultimately make them usable. The new board should have complete control over the houses and in that situation we might see an economic and planned use of railway houses.

I draw to the attention of the Minister that many railway houses were sited along the Mansfield line and other railway lines served by the railway system. They are standing today as virtual tombstones of Government policy on railway services. These railway houses are built to a standard which would, I feel sure, be acceptable to many people in Victoria who are currently without accommodation.

I understand 22 000 applications are on the Housing Commission waiting list while many of the railway houses scattered throughout the State are uninhabited and not being used. As a matter of policy, the Government ought to consider ensuring that these homes are brought under one authority which can rationalize their use.

I have visited many country towns and have received numerous requests on whether these homes will be made available to the community. Railway homes are available in the Alexandra and Mansfield areas and in parts of the western district, and their use has been raised on numerous occasions.

When I visited some of these homes, I found that the doors were swinging on the hinges and the windows and fly screens had been broken. A varying level of maintenance is being performed. Some homes have been maintained reasonably well and are quite capable of being occupied within a week to ten days. However, in many cases, much maintenance is required to restore the home to a condition which will make it acceptable for people to occupy.

I ask the Minister of Transport to consider this position. I am not fully aware of the number of houses involved, but there seems to be many empty homes in Victorian country centres. Previously the railways had many more staff in those centres and they were occupying the houses which are not now being used. There is certainly a capacity to provide housing in country areas, and I ask that consideration be given by the Government to this position.

Today I was fortunate enough to lunch with a representative of the Federated Union of Locomotive Enginemen from Great Britain who informed me of the decline of the railway industry in that country. The membership of his union had declined from 83 000 to 28 000 in a relatively short time. This was brought about because of the changeover from steam to diesel. This has also occurred in Victoria, where the conversion from steam to diesel created a situation whereby many homes which were previously required for railway employees were no longer needed.

It is a sad reflection on the Government that the railway system has been denied resources and funds and that personnel have been transferred from the maintenance section of the railway system which means that they have moved out and are no longer living in railway homes. In many cases, some of the homes are in a state of disrepair but in others they are in a reasonable condition and I submit that situation is a direct reflection of Government policy.

I hope in the future that, with the current Minister, there may be a change in impetus of Government policy with respect to the public transport system and that there will be an increasing demand for railway homes with railway workers subsequently occupying those homes.

If the line between Melbourne and Sydney is electrified, there will be a demand along that line for housing for maintenance staff who will be required to service the line. I am not greatly impressed by the announcement because of the condition of the Melbourne to Geelong line. For many years it has been proposed that electrification take place, but there has been little movement in that area.

The CHAIRMAN (Mr A. T. Evans)—Order! The honorable member is drifting away from the discussion on houses and referring to railway lines.

Mr SIMMONDS—The point I was making, Mr Chairman, was that, because of the changes in the railway system, the use of these homes has been diminishing. I am submitting that the electrification of the line between Melbourne and Sydney would have a further impact. If Government policy is ever implemented and electrification is carried out on the Melbourne to Geelong line, then a further change will occur.

I hope the future of railway homes is not considered in isolation but that it is considered as part of the best utilization of the railway system.

Mr REMINGTON (Melbourne)—I oppose the deletion of clause 23, and the further proposal to delete clause 24. It must be acknowledged that the Estates Branch of the Victorian Railways certainly has a bad record of carrying out that part of its responsibility for the care and maintenance of property. I have visited the Sunshine railway estate with the hon-

orable member for Sunshine, and that estate is in a shocking mess. It was developed over a period of successive Ministers of Transport and it is dreadful that the estate has been allowed to deteriorate into the deplorable condition it is in today.

Taking the conditions in that estate as the yardstick, it illustrates the lack of care and concern that the Government has for its railway employees. This is manifested in many other areas of the railways.

If one has an employer whom one believes is concerned about one as an individual, one does not mind working for such an employer who usually provides good working conditions and standards, not only in the pay packet but in other areas as well. One might quickly add that the pay packets of railway workers in this State have been a disgrace for as long as I can remember, even in the days of J. J. Brown himself, and they have not really improved since.

That position is reflected by the proposal to omit the clause. If the Government is to be a good employer of railway workers, it should show proper care and control for the housing of those workers.

Industrial problems are a disadvantage, but honorable members will acknowledge that going on strike is an action of last resort which is sometimes taken and it is unfortunate that a few strikes have occurred in recent times. It is regrettable that conditions like this exist for workers and also that the Victorian Government does not show greater concern for protecting and overcoming problems by providing proper conditions for those workers who exhibit some degree of agitation to participate in industrial activity.

It is a pity that every honorable member has not visited the Sunshine estate.

Mr Weideman—I have been to Sunshine.

Mr REMINGTON—The honorable member for Frankston has been there, so I assume he will be quick on his feet and do a National Party—I hope he will support the clause. The Sunshine estate is an indictment of successive Liberal Governments, which have displayed very little concern for employees.

In opposing the clause, the Minister spoke about a subsidy of $1·5 million for housing. When discussing a subsidy one is inclined to think in terms of the provision of a social service, but an employer such as VicRail, which has a great diversity of branches and places of employment spread throughout the State, is responsible for providing proper housing for its employees.

Mr B. J. Evans—Do banks do that?

Mr REMINGTON—Because of the activities of unions some banks provide reasonable accommodation for managers in some country towns. The unions had to train them. Some of them provide bad accommodation but the worst accommodation provided by the banking industry is absolutely palatial when compared with the accommodation provided by the Government for railway employees.

Mobility is an essential ingredient in the Victorian Railways and if the workers are to be properly mobile accommodation of suitable standards should be provided for them. No one could claim that VicRail has met the reasonable expectations an employee should have of an employer. Its attitude is not only manifest in the Sunshine housing estate —which is the Belsen of housing estates in Victoria—but it is also obvious from the way in which it has treated its other properties, which are neglected and unpainted. The subways are dirty and——

The CHAIRMAN (Mr A. T. Evans)—Order! The honorable member is unnecessarily delaying the passage of the Bill. He referred to the clause and then immediately went on to discuss other railway activities. I ask him to confine his remarks to the clause.

Mr REMINGTON—I cannot dispute your ruling, Mr Chairman, and I must respect it. I regret that in my enunciation of the arguments I wish to put I have not made myself clear. I thought my remarks revolved around housing. I was attempting to relate the effects of housing on working conditions. I thought the question of mobility was relevant to the housing provided by

VicRail. I thought the mobility of workers was highly relevant to the clause.

The CHAIRMAN—Order! From the way in which the honorable member is now phrasing his remarks, I take it he is disputing the ruling of the Chair.

Mr REMINGTON—No, I am not disputing the ruling of the Chair. I am sorry that I have not made the point of my remarks clear to you, Mr Chairman.

One thing that is consistent about the Hamer Government is its inconsistency. In his second-reading speech the Minister said the main purpose of the Bill was to provide better management and control of housing properties owned by VicRail and managed by the Estates Branch.

When I heard the Minister's remarks, I thought they were excellent. I thought, "The new Minister is a new breed. He obviously has capacity and ability. At long last there will be a breath of fresh air through the dingy corridors of VicRail". The Opposition welcomed the part of the Bill that dealt with the establishment of the new board. However, as the honorable member for Knox pointed out, when the bureaucracy snarled and stamped its feet the Minister quickly went for cover.

The State needs Ministers with the capacity to show leadership. It needs Ministers who can plan properly and make well-judged decisions, and then spell out those decisions in proposed legislation. It needs Ministers who can pursue their aims and not resile and back off from a fight with the bureaucracy. Clearly the Minister has backed off. This bureaucracy has neglected the housing problems of VicRail for many years. Like all bureaucracies, when it was threatened it challenged the threat and the Minister backed off. He should have stood firm. By doing that he would have gained the respect of the Opposition and the respect of the bureaucracy. Now, however, the word has gone out that the Minister is not the strong man he appeared to be and does not have the fibre for leadership that it appeared he had when he first took office.

The honorable gentleman recently got into trouble over an industrial issue and he is now in difficulties again. I regret that he has bowed to bureaucratic pressure. I had a high regard for the Minister. I understood that his portfolio was difficult and that it needed a man who could display leadership. It is to be regretted that the Minister has again been forced to duck for cover.

The Committee divided on the clause (Mr A. T. Evans in the chair).

Ayes	31
Noes	45
Majority against the clause	14

AYES

Mr Cain
Mr Cathie
Dr Coghill
Mr Crabb
Mr Culpin
Mr Edmunds
Mr Ernst
Mr Fogarty
Mr Fordham
Mr Gavin
Mr Ginifer
Mr Hockley
Mr King
Mr Kirkwood
Mr Mathews
Mr Miller
Mr Remington
Mr Roper
Mr Sidiropoulos
Mr Simmonds
Mr Simpson
Mr Spyker
Mr Stirling
Mrs Toner
Mr Trezise
Dr Vaughan
Mr Walsh
Mr Wilkes
Mr Wilton

Tellers:
Mr Jolly
Mr Rowe

NOES

Mr Austin
Mr Balfour
Mr Birrell
Mr Brown
Mr Burgin
Mrs Chambers
Mr Coleman
Mr Collins
Mr Crellin
Mr Dixon
Mr Dunstan
Mr Ebery
Mr Evans (*Gippsland East*)
Mr Hamer
Mr Hann
Mr Hayes
Mr Jasper
Mr Jona
Mr Kennett
Mr Lieberman
Mr McArthur
Mr McCance
Mr McClure
Mr McGrath
Mr McInnes
Mr McKellar
Mr Mackinnon
Mr Maclellan
Mrs Patrick
Mr Ramsay
Mr Reynolds
Mr Richardson
Mr Ross-Edwards
Mr Skeggs
Mr Smith (*South Barwon*)
Mr Smith (*Warrnambool*)
Mr Templeton
Mr Thompson
Mr Trewin
Mr Weideman
Mr Whiting
Mr Williams
Mr Wood

Tellers:
Mr Cox
Mr Tanner

PAIR

Mr Amos
Mr Borthwick

Clause 24 (Railways housing to be vested in the Board)

Mr MACLELLAN (Minister of Transport)—I invite honorable members to vote against the clause. This is a machinery matter following from the omission of clause 23.

Mr CRABB (Knox)—I oppose the suggestion of the Minister that the Committee should vote against the clause. I find it remarkable that the National Party voted with the Government to negative the previous clause. Presumably it will support the Government on this matter also, without telling the Committee or its constituents the reason why. In country towns one sees the worst problems associated with railway housing and one could have expected that the National Party would show more concern in this matter.

The clause was negatived.

Clauses 25 and 26 were agreed to.

Clause 27 was verbally amended, and, as amended, was adopted, as was clause 28.

Clause 29 (Powers of Board)

Mr MACLELLAN (Minister of Transport)—I move:

Clause 29, lines 4 and 5, omit all words on these lines and insert—

"(*b*) erect, reconstruct, alter or renovate dwelling-houses on land vested in or acquired by the Board for the purposes of this Part;".

The honorable member for Sunshine has given a perfect explanation of why this sort of power is necessary.

The amendment was agreed to, and the clause, as amended, was adopted.

Clause 30 (Revenue from railway housing)

Mr MACLELLAN (Minister of Transport)—I move:

Clause 30, lines 31 to 37, omit all words on these lines and insert—

"(*a*) first for the purposes of this Part; and".

Honorable members will see that what is being dealt with is the defraying of costs in relation to housing. In view of the omission of the lines proposed to be omitted, the purposes proposed are better described as "for the purposes of this part" meaning that moneys shall be received and used firstly for railway housing purposes rather than for meeting the costs of the board. This amendment is intended to isolate any moneys obtained from railway housing for railway housing purposes rather than for the purchase of new engines or something like that.

The reasonable explanation for this is that housing funds should be recycled in railway housing while ever there is a need for railway housing. I discussed this matter with the unions, which fear there is a danger that, if the funds are all muddled together, railway houses could be sold off aggressively and the funds invested in other railway activities, so I undertook that the funds obtained from sales of railway housing would be isolated within the accounts of the board and would be available for reinvestment for railway housing needs rather than being available for the reconstruction of the Albert Park railway station.

Mr CRABB (Knox)—This amendment seems like humbug since what is being discussed is an amendment consequent upon the deletion of clauses 23 and 24. Clause 30 provides, *inter alia*:

Moneys received by the Board in respect of dwelling-houses vested in the Board for the purposes of this Part whether as rent, proceeds of sale or otherwise, shall be applied—

(*a*) first in defraying the costs of the Board relating to the management and control of dwelling-houses under this Part;

The Minister has told the Committee that the board will not have management and control of dwelling-houses. All it will control is surplus housing, which it will sell. Therefore, why change the wording to "for the purposes of this part"? Heaven knows what "the purposes of this part" are because there is nothing left in this part except the selling off of surplus houses. The surplus houses will be sold and the money will be applied, firstly, to heaven knows what other purposes and, secondly, in defraying the costs of railway capital works. I do not object to the money being used for railway capital works, but the Minister ought to be honest about what he is putting to the Committee.

The amendment was agreed to.

Mr MACLELLAN (Minister of Transport)—I move:

Clause 30, line 38, omit "(*c*) thirdly" and insert "(*b*) secondly".

The amendment was agreed to, and the clause, as amended, was adopted, as were clauses 31 to 46.

Clause 47 (Provisions relating to leases, licences and sales)

Mr MACLELLAN (Minister of Transport)—I move:

Clause 47, line 18, omit "or under section 438 of the Land Act 1958".

The amendment was agreed to, and the clause, as amended, was adopted, as were the remaining clauses and the schedule.

New clause AA

Mr MACLELLAN (Minister of Transport)—I move:

Insert the following new clause to follow the heading "PART V.—RAILWAY HOUSING":

"AA. The Board shall manage and control all dwelling-houses vested in or acquired by the Board for the purposes of this Part."

As I foreshadowed to the Committee, the insertion of new clause AA is now consequent upon the omission of clause 23. It replaces that clause with a clause providing for the VicRail board by resolution to determine that a dwelling-house and appurtenant land vested in the Victorian Railways Board, which have previously been used for railway purposes, are now to be owned and administered and perhaps disposed of or renovated, sold or whatever by the new board. A resolution of the board is required for that purpose. I know the board will be co-operative in resolving the many issues that may arise.

It may be that the Government has to come back to the matter, as the honorable member for Knox views it. His view is that all housing should go across to the new board. I will not feel too uncomfortable if in the time of another Parliament the Government has to introduce a Bill to achieve that. At this stage, however, this machinery clause under which the board will be operating is necessary.

Mr CRABB (Knox)—The Committee has been through this argument on a previous amendment. As the Bill stands at the moment, it has nothing to do with houses in it. However, I repeat the point of view of the Opposition that this situation is not nearly good enough. This is not nearly the Bill which was introduced into the House many months ago at the beginning of this session. I believe honorable members will be coming back to this Bill again next year or the year after and changing it back to its original form. The Minister will rue the day he changed this part of the Bill.

The new clause was agreed to.

New clause BB

Mr MACLELLAN (Minister of Transport)—I move:

Insert the following clause to follow the new clause AA.

"BB. (1) Where the Victorian Railways Board by resolution determines that a dwelling-house and appurtenant land vested in the Victorian Railways Board that is or has been used for the purposes of a residence for persons employed in the Railway Service should be transferred to the Board for the purposes of this Part, the Governor in Council may, by order published in the *Government Gazette*, vest the land described in the resolution in the Board for the purposes of this Part, subject to all existing leases, tenancies and other rights or interests of or in that land.

(2) Where a dwelling-house is vested in the Board by order under sub-section (1), the Victorian Railways Board shall give to the Board all documents and records in its possession or under its control that relate to the management or control of the dwelling-house."

The new clause was agreed to.

Mr CRABB (Knox)—On a point of order, Mr Chairman, why is the Committee dealing with new clauses to be inserted in Part V. of the Bill when I wish to move new clauses to be inserted after clause 4?

The CHAIRMAN (Mr A. T. Evans)—New clauses proposed by the Government always take precedence. The honorable member for Knox will have an opportunity to move his new clauses later.

Mr CRABB—By leave, Mr Chairman, could you direct me to the Standing Order dealing with that?

The CHAIRMAN—It is referred to in May's *Parliamentary Practice*. If there is any matter such as this about which the honorable member feels strongly, he can always refer it to the Standing Orders Committee on which his party has representatives.

New clause CC

Mr MACLELLAN (Minister of Transport)—I move:

Insert the following new clause to follow Clause 29:

"CC. Subject to and in accordance with such terms and conditions as the Board, with the approval of the Minister, determines, the Board may make a loan to a person who is or has been employed in the Railway Service for the purposes of assisting that person to purchase, whether alone or together with another person, a dwelling-house for use as his residence."

This provision will allow the board to make loans to employees to assist them to buy houses. In accordance with the occupational movements of employees around the State, it may on occasions be necessary or apt to make loans to railway employees so that they can secure their own housing rather than being in railway housing. It seems a useful power for the board to have and a useful opportunity for the board as an agent of VicRail, the employer, to be able to support railway workers in their applications for housing loans or to be able to offer security for housing loans financed through the banking system.

Mr CRABB (Knox)—I support the inclusion of this provision. If the board were selling houses to railway employees, it would seem sensible that it should be able to finance those sales rather than for the finance to come from some other institution. However, I return to the point I made earlier, that the new clause does not lie particularly well with the new measures in the Bill under which the board will be dealing only with surplus housing. From what the Minister said earlier, it appears that the board will not have under its control housing occupied by railway employees, so I know of no case where the board will have the opportunity of using this provision. Unless the Railway Construction and Property Board has some property to rent or sell to railway employees, there is little relevance in the inclusion of this new clause.

The new clause was agreed to.

New clause DD

Mr MACLELLAN (Minister of Transport)—I move:

Insert the following new clause to follow Clause 54:

DD. (1) In section 348 of the Land Act 1958 after the words "Railway Construction" (where twice occurring) there shall be inserted the words "and Property".

The new clause was agreed to.

New Clause A

Mr CRABB (Knox)—I move:

Insert the following new clause to follow clause 4:

"(1) On the Board making any recommendation to the Minister in relation to the performance of functions referred to in section 4 (1) (*b*) it shall give notice in writing to the Councils of all Municipalities in whose municipal districts such function shall be performed and members of the Legislative Assembly and the Legislative Council in whose electoral district or province such function shall be performed that the recommendation has been made to the Minister; and a copy of such notice shall be published once in a daily newspaper circulating throughout Victoria and once in a local newspaper published and circulated in the area in which such function shall be performed.

(2) The Minister after considering any submissions pertaining to the recommendations which have been made in writing by any Council or any other person within two months after notices have been given and published may—

(*a*) approve the recommendation;

(*b*) approve the recommendation with variations; or

(*c*) refuse to approve the recommendations."

It is desired to insert this new clause in that part of the Bill which relates to the railway construction functions of the board, not its housing and development functions. It should be mandatory on the board to notify municipalities and members of Parliament when it makes a recommendation to the Minister in relation to the performance of the function in proposed section 4 (1)

(*b*), that is, in relation to the carrying out of works on level crossings, on the construction of parking facilities at railway stations, and on construction works in relation to public transport. The clause provides that the Minister must approve such works on the recommendation of the board.

All the Opposition asks is that the board notify the people who are likely to be interested and likely to be able to contribute. Those people, the municipalities, the local members of Parliament and other local people, ought to have the capacity to make submissions to the Minister who can then consider the submissions and in his wisdom accept or reject them. This amendment is analogous with another amendment moved earlier. I commend the amendment to the House.

Mr MACLELLAN (Minister of Transport)—The Government does not accept the amendment. The honorable member for Knox has stated that it is analogous to the previous amendment and the arguments against it are the same. It is not a matter to be entrenched in the Bill but a matter of practice that the consultations take place, and they will continue to take place.

The Committee divided on the new clause (Mr A. T. Evans in the chair).

Ayes	30
Noes	45
Majority against the new clause	15

AYES

Mr Cain	Mr Remington
Mr Cathie	Mr Roper
Dr Coghill	Mr Sidiropoulos
Mr Crabb	Mr Simmonds
Mr Culpin	Mr Simpson
Mr Edmunds	Mr Spyker
Mr Ernst	Mr Stirling
Mr Fogarty	Mrs Toner
Mr Fordham	Mr Trezise
Mr Gavin	Dr Vaughan
Mr Ginifer	Mr Walsh
Mr Hockley	Mr Wilton
Mr King	
Mr Kirkwood	*Tellers:*
Mr Mathews	Mr Jolly
Mr Miller	Mr Rowe

NOES

Mr Austin	Mr McInnes
Mr Balfour	Mr McKellar
Mr Birrell	Mr Mackinnon
Mr Brown	Mr Maclellan
Mr Burgin	Mrs Patrick
Mrs Chambers	Mr Ramsay
Mr Coleman	Mr Reynolds
Mr Collins	Mr Richardson
Mr Crellin	Mr Ross-Edwards
Mr Dixon	Mr Skeggs
Mr Dunstan	Mr Smith
Mr Ebery	(*South Barwon*)
Mr Evans	Mr Smith
(*Gippsland East*)	(*Warrnambool*)
Mr Hamer	Mr Templeton
Mr Hann	Mr Thompson
Mr Hayes	Mr Trewin
Mr Jasper	Mr Weideman
Mr Jona	Mr Whiting
Mr Kennett	Mr Williams
Mr Lieberman	Mr Wood
Mr McArthur	
Mr McCance	*Tellers:*
Mr McClure	Mr Cox
Mr McGrath	Mr Tanner

PAIR

Mr Amos	Mr Borthwick

New Clause B.

Mr CRABB (Knox)—I move:

Insert the following new clause to follow clause 13:

"In every municipal district all tenants of property vested in the Board and hereafter leased or rented to such tenants shall except in the case of railway refreshment rooms and premises in the occupation of railway employees, be liable to the payment of rates and taxes, but the Board shall not be liable as owners of such property."

The purpose of inserting this new clause is to ensure that tenants of commercial developments owned by the Railway Construction and Property Board will pay rates. Railways property is exempt from the payment of rates, and specific provisions are inserted in the Railways Act to ensure that premises in commercial occupancy are rateable. The proposed new clause is taken from the existing Railways Act. The reference in the Act to railways employees, I am informed, is to employees, not railways' employees who live in a home and who still pay rates. That is perhaps a little difficult to comprehend. I suggest that the Minister considers this because I am trying to be helpful. If the Government is absolutely certain that there is no doubt that commercial property tenants

will pay rates, I should be interested to hear the reasons why the Government believes that Bill covers the situation.

Mr MACLELLAN (Minister of Transport)—I thank the honorable member for giving notice of this question that he has raised in the amendment. The position has been checked with the railways' solicitor and with Parliamentary Counsel, and the advice I have been given is that under section 251 of the Local Government Act and sections 277 and 40 of the Railways Act 1958, VicRail is exempt from municipal rates. However, its tenants, including railways' employees as occupiers, are liable to the payment of municipal rates, and where railway staff occupy railway premises arrangements are made for the deduction from their pay of the rent and estimated rates. In those cases the rates are usually collected as a deduction from the railway employees concerned. Under this Bill the situation will be exactly the same as under the existing law and that is what the honorable member for Knox wants.

I am advised that the clause is not necesary and both the railways' solicitor and Parliamentary Counsel assure me that that is the case. If the honorable member for Knox is not satisfied with that, I will undertake to make Parliamentary Counsel or the VicRail solicitor available to him so that the matter can be examined between the time the Bill leaves this House and is discussed in another place to make absolutely certain that the honorable member is satisfied. If he is then not satisfied, the Government will look at the matter again. That is the advice I have received, and I rely upon it.

Mr CRABB (Knox)—In view of the number of transport Bills on the Notice Paper, I am unlikely to have time to give this matter further attention before the Bill is discussed in another place. I appreciate the offer by the Minister. I have done what was the responsible thing to do on behalf of the Opposition, and have brought the matter to the attention of the Government. Although the Minister says this Bill does what the existing legislation does, I do not agree. The clause that I seek to insert is in the existing Railways Act. If one takes the railway construction provisions out of the Railways Act and puts them in this new Bill without this clause, the same situation does not apply. Either all the property owned by the new board will be rateable in the hands of the board or none of it will be rateable. Whereas in the past there has been a mixture—where there was commercial tenancy rates were payable and where there was no commercial tenant rates were not payable—I take it that the Minister is saying that all the property of the board will be rateable from now on.

The new clause was negatived.

The Bill was reported to the House with amendments, including an amended title, and passed through its remaining stages.

INDUSTRIAL RELATIONS BILL

The debate (adjourned from October 9) on the motion of Mr Ramsay (Minister of Labour and Industry) for the second reading of this Bill was resumed.

Mr SIMMONDS (Reservoir)—When introducing this Bill the Minister, who I understand has a commitment which prevents him from being present, indicated that it was the Government's hope it would establish a State industrial tribunal to foster an atmosphere of harmony and mutual benefit second to none in Australia. He went on to say that virtually no one is spared from the effects of industrial unrest or dissatisfaction. He described his concern and indicated that since 1897 Victoria has been served, on the whole, well, by what we have come to know as the wages board system. That is true.

The wages board system with which the Bill fundamentally deals was established in 1897 when Victoria was a sovereign State and before Federation. The relationship to the present Labour and Industry Act 1958 is traced back to the Shops and Factories Act of that era, which was the result of a commission of inquiry into industrial relations in Victoria in the 1890s. It is necessary to understand the historical significance of the legislation and to

appreciate that in moving into what we regard as the technological age, some changes will occur.

The Opposition acknowledges that the establishment of an Industrial Relations Commission could well create a situation in Victoria where industrial relations will be improved, but also acknowledges and understands the dominance of the Federal Arbitration and Conciliation Commission, over industrial relations as they apply to Federal awards. The indications are that the strengthening of Federation and the concentration of powers and industrial legislation in the Federal Parliament will continue to dominate industrial relations and, consequently, although this Bill will be of relevance to persons employed in Victoria under the determination of various wages boards, they will be affected more by the courts than by the commission which is to be established.

This Bill has to be seen as a factor which will have an impact on the Federal legislation. It is not my intention to debate the substance or the consequences of the introduction of a Bill in the National Parliament other than to warn the Government that any attempt to embark on a similar doctrine in Victoria by using the proposed legislation as the basis for an approach to industrial relations would be resisted both inside and outside the Parliament by the Labor Party spokesman on the subject. That should be clearly understood.

The legislation is a result of a tripartite inquiry which reported to the Minister in 1976. That inquiry was made up of employers, trade unions and officers of the Department of Labour and Industry. The proposals of the inquiry were submitted to the Minister based on the concept of consensus. Most of the conflicts were resolved. I commend the Minister for adopting that consensus in the proposed legislation in the sense that he has not embarked upon the fruitless and provocative approach his predecessors embarked upon when introducing legislation to licensed scabs, in the industrial sense, by using a limited interpretation of the discussion on preferences of unionists, which was based on a submisison by a body called the Exclusive Brethren, and by introducing legislation on that pretext.

Before going into detail, I thought it would be appropriate to give some of the history of the proposed legislation and of the Opposition's approach to it. The Minister was good enough to let me have a copy of the proposed amendments to this Bill, which total 48. The Opposition proposes to move eight amendments. As a result of discussions, most of the differences have been resolved, if not within the proposed legislation then by agreement on the prinicples that the legislation ought to embody. The Opposition is not sure whether the answers are contained in the amendments which have not yet been moved. They are not contained in the 48 amendments I have been provided with, but during the Committee stage honorable members can pursue the principal points which are basically in two areas.

One is the area where the president can hear appeals against decisions of wages boards, as the sole arbiter. It is the view of the Opposition that the full commission should deal with appeals. Some questions need to be debated. To place such power in the hands of the president of the commission would not be in the best interests of the legislation.

The second is that the proposed legislation contains provisions to enable the Minister to interfere in the hearings by wages board before a decision is made, because the Minister would have the power, under the proposed legislation, to refer the matter to the president of the commission before a decision had been made. That is not desirable. The Opposition seeks an undertaking from the Minister that that aspect of the proposed legislation will be amended during the Committee stage.

In order that the Opposition could obtain the considered views of the persons honorable members are most concerned to represent in this Parliament, the people who work for a living, a summary of the legislation was made available by the Opposition and I propose to put extracts from the summary

before the House to give an understanding of what the proposed legislation embodies. Further consideration can take place at the Committee stage of the Bill. On 1 April 1976, after hearing the report on the subject, the Trades Hall Council carried the following resolution:

> The Council having heard the report determines that it has no objection to this last report proceeding to the Minister. However, the council makes it clear that it expects its representatives on the committee to have the right to review and report back to council on any draft legislation emanating from the report. Further, any such legislation to be returned after a 12 month period of operation.

That review was part of the recommendations of the inquiry and was endorsed by the Trades Hall Council. It is important that review take place of any legislation which makes such significant changes in such a sensitive area.

I do not know whether the honorable members for Geelong West, Frankston or Burwood, who were members of the Liberal Party committee which considered the Bill, will make contributions to the debate, or whether they were involved in discussions about the amendments. The Minister is entitled to receive advice and should explain to the House what his response to that advice was. I am concerned that the proposed legislation may reflect a departmental position rather than a responsible administrative approach that a Minister of the Crown should take when dealing with legislation.

It is important that Parliament should establish its supremacy when dealing with such an important matter. Legislation should reflect the view of the Administration and not bureaucracy. The Bill should be debated on that basis. The basis for the Bill was a tripartite inquiry, but it is important that the Government place the proposed legislation before the Opposition and that it be debated by the Opposition.

If the Minister has difficulty in amending the Bill, he could withdraw it and review it. Yesterday the Minister was concerned to advise the United Firefighters Union, a body which will be covered by this Bill, that the recent amendments to the Workers Compensation Act would not change the existing position. I understand that relatively little change is proposed in the administration of that Act and that people who were previously covered will still be covered for workers compensation. That is good. There is no point in getting into a legal discussion. The point is that it is important that the Minister place before the House the actual position regarding the proposed legislation, rather than just his viewpoint.

The point I am trying to make is that the people who operate in this area will not act on the Minister's opinion or the Minister's second-reading speech, but on the legislation.

There are 48 amendments to be moved at the Committee stage. Certainly some of them are minor, the words "and" "or" and so on are to be changed, but some are of significance. This indicates a lack of surety. For that reason, I seek an undertaking from the Minister at the second-reading stage that he will honour the obligation to have a complete review of the legislation undertaken twelve months after the Bill has passed through this Chamber. That is fundamental to the approach of the Opposition to the measure.

The Bill substantially follows the recommendations of the Committee for Review of the Labour and Industry Act. On page 2 of the committee's report, it is stated:

> What the committee is recommending is in effect a compromise between the present Victorian system and a "Court system". In the committee's opinion, it grows out of the present Victorian system fairly naturally. The system recommended comprises—
>
> (*a*) an "Industrial Commission" (including a registry); and
>
> (*b*) any number of boards, to be known as "Conciliation and Arbitration Boards."

The term "registry", and the question of registration of unions are a delicate and key areas in the attitude of the trade unions to the Bill. If there were any intention in the future to use the registration or listing of trade unions as a base for penalizing in the manner that the Federal system uses deregistration, this will lead to a conflict and a

rejection of the legislation and all it stands for. I hope it is clearly not the intention to use the proposed legislation for that purpose. The undertaking and the assurances I have given to the trade union movement are that these are not the Government's intentions. I cannot be responsible for the Government's position, but I hope the Minister will make it absolutely clear that there is no question that the payment of penalities is associated with this proposition in the future and that the measure will not be used as a base to do that. I understand the limitations of his capacity to do that, given the requiremetns of future projections, but at least the Government should declare its intention in that area.

The commision will comprise a number of boards to be known as conciliation and arbitration boards. The wages boards will simply become conciliation and arbitration boards.

The primary role of the proposed Industrial Relations Commission will be to co-ordinate the work of the tribunals and the management of the system. The commission will comprise a president and two commissioners. The president assumes the status of a judge of the Supreme Court, and the commissioners must have had extensive experience in industrial relations. This is extremely important. I hope the Minister, who will be responsible for these appointments, takes a responsible view of these criteria and does not fall into the trap of having people too-well versed in the legality of industrial relations, but will be more inclined to opt for practising people in the area who might be able to administer the commission in a way that will serve the interests of those who are involved in industry. The involvement of those in industry and the interests of those involved in industry will be best served by people with some experience and understanding of the conflicts that exist. This Bill will not remove the basis of those conflicts. The measure is designed to umpire the conflicts and to achieve a settlement of disputes; to maintain a position where the adversaries in the system, with which we operate, are able to continue the processes of production and distribution on a reasonable basis, until such time as further adjustments need to be made to the system.

If it is seen in the context that the persons who make judgments and bring about the resolutions of conflicts enable the continuation of the production processses, and all that goes with it for the time being, that is about as much as can be hoped for from this proposed body. The Opposition believes the commissioners must have extensive experience in industrial relations and that that extensive experience ought to be based on practical knowledge.

I now come to the functions of the proposed commission. The commission may hear and determine matters in the following manner: the president sitting alone in court session; the president and two commissioners sitting together in full session, and, finally, a commissioner sitting alone. The functions of the commission, differently constituted, are set out in clauses 11, 12 and 13, and I will deal with those functions in greater detail during the Committee stage.

The procedures to be adopted by the Industrial Relations Commission are substantially the same as those prescribed by the present Act. A new procedure, however, is that of the single commissioner being able to hear and determine matters. A substantive deviation from the committee for review recommendations is that if a single commissioner sits alone to hear and determine a matter, his decision is subject to appeal to the president. The committee for review recommended that any decision by a commissioner should be appealable to a full bench comprising the president, deputy president and remaining member.

I have placed that position before the Minister and I will not go through the argument in great detail, but there is substantial agreement, at least recognition, of the significance of the argument that there is safety in numbers. At the entrance to this building, one sees words to that effect. In drafting industrial legislation some of the philosophy of the safety in numbers in a

democratic process should be embodied. The Opposition believes it could place too great a responsibility or power on the single commissioner if the Bill is passed in its present form.

The procedures envisaged are for appearances before the commission, appeals, granting leave to amend awards, reviewing of awards and Ministerial references. I indicated earlier concern about Ministerial references and, from past experience, the number of references made to the present Industrial Appeals Court, and the growing intervention of the Minister in that area, do not reassure the Opposition, or the trade union movement, of the likely consequences of leaving in the legislation the power of the Minister to interfere and refer from the new conciliation and arbitration boards, prior to a decision being made by the board, to the proposed commission. As the Bill now stands, he will be allowed to do that. Most of those procedures are the same as described in the present Labour and Industry Act. The Bill is in many ways a restructuring and a rewriting of the present Act in respect of the wages boards, but it will abolish the Industrial Appeals Court and provide for an Industrial Relations Commission. Similarly, the procedures for dealing with appeals from the Magistrates Court remain the same, except that these are now to be dealt with by the president sitting alone.

The powers that currently reside with the Minister to appoint, abolish, define the area, grant or extend jurisdiction, and so on of the present wages boards have been referred to the new commission. The Opposition supports that proposition. The president of the commission is to assign a chairman to the arbitration and conciliation boards.

The Bill provides for the continuation of the presently constituted wages boards for the rest of their term. Any matter commenced before a wages board shall continue as if nothing had happened to the system until the matter has been dealt with. Basically that conforms with recommendations of the committee for review.

Mr Simmonds

The General Wages Board has been retained. The structure and functioning of the wages boards remain substantially the same with the following exceptions:

(*a*) The chairman has the right to arbitrate. This is acknowledged as an improvement in the position. It gives the chairman a greater function to perform, moving from a conciliation to an arbitration position.

(*b*) The board or the chairman has the right to refer matters to the Industrial Relations Commission for hearing and determination.

(*c*) Nominations to boards shall be by recognized associations or any groups of employees considered by the commission to have a proper and substantial interest.

(*d*) Instead of the present section 41 (2), the following provision will apply:

> The meeting of a board shall be held as fixed by the board from time to time or may be called by the chairman
> (i) on his own motion
> (ii) on the application of a member of the board or of a recognized association
> (iii) by direction of the president.

(*e*) The chairman is obliged to give sufficient notice of board meetings to all persons appearing to him to have an interest in the subject-matter of the board meeting. Submissions can be put by any person who satisfies the board that they have a relevant and proper interest in the matter. Open appearances before the board should be reviewed at the end of twelve months to see how these provisions were used. There may be some pluses or minuses in that area.

Proceedings shall be public except where the board and the chairman agree that they should be private. Decisions, and consideration of the submissions shall be in private.

(f)Unions and employers are obliged to notify to the registrar an impending or actual dispute. From here the registrar is to notify the president and the chairman who shall convene a meeting of the board and deal with the dispute by conciliation and arbitration.

(g) Important provisions are clauses 44 to 46, which provide for reference of an industrial dispute to the commission by a board, its chairman, or any party to the industrial dispute. This is consistent with the recommendations of the committee for review. Clause 44(6), however, empowers the Minister to refer any industrial dispute to the commission for determination.

This is an entirely new provision and gives the Minister a power, which the Opposition regards as unwarranted, which may lead to the operation of the board being seriously eroded. It seems to me that the operations of the board ought to be based on the proposition that it has some real function to perform, and some certainty that matters introduced will be brought to determination before any intervention by the Minister can take place. I do not know what the Minister might be doing in that area later.

The Minister has drawn to my attention section 45A of the Labour and Industry Act. Perhaps, in the Committee stage, that might be debated, rather than going into detail now. I am trying to indicate the ambit of the Opposition's concern in many areas of the Bill, and then, during the Committee stage, it may be possible to resolve those difficulties more quickly.

Provision is made for the registering of industrial agreements so that they will have the force of an award. I understand that there may be agreement on this. The wording of the Bill, however, implies that there is an obligation to register such agreements under clause 47(2), which states:

> An agreement made pursuant to sub-section (1) shall forthwith be filed with the Registrar.

No obligation should be placed on unions or employers who do not wish to register agreements. That should be optional because the registering of all agreements may involve the Minister and the department in such a difficult situation that it would make the legislation virtually unworkable.

The procedure for registering agreements requires the approval of the Industrial Relations Commission, and the maximum term of such agreements shall be three years.

I refer to recognized associations. Recognition by the commission carries with it the right to:

(i) Nominate representatives on boards;

(ii) have representatives appear before boards;

(iii) be kept informed of proceedings before boards; and

(iv) to enter industrial agreements.

The form of recognition does not involve registration in the sense that it applies in the Federal, or, say, the New South Wales system. That is the position in the current legislation. I indicated earlier that the Opposition's view is that that situation should be maintained. It should not be a base on which subsequent amendments are made to change the position.

The Minister makes the point that the committee for review warned against the introduction of a formal legalistic registration such as exists in some other States and in the Commonwealth jurisdiction. The Bill incorporates the committee's recommendations to provide for recognition of any industrial association which can prove a bona fide interest in the operation of any board or boards established.

Revocation of recognition is possible by the commission for non-compliance with any order of the commission. Some concern might be expressed on this area in the future.

The Bill provides for monetary penalties to be used against any person who contravenes or fails to comply with any of the provisions of the award or agreement. These penalties were never envisaged and ought to be strenuously opposed. The question of penalties relates mainly to safety matters, the non-payment of award provisions and the normal penalties associated with failure to comply with the Act. The penalties should be increased for failure to provide safe working conditions. The Labor Party wants the penalties extended. That proposition has been well argued and there is a lot of documentation on the

incapacity of the Government to enforce that part of the Act. The honorable member for Heatherton knows of a classic example where a seventeen-year-old boy was killed in an industrial accident which resulted in a $200 fine on the employer and $40 costs in circumstances which ought to be the subject of an inquiry.

The power of reference given by the Bill to the Minister is much wider than that of the Federal Minister for Industrial Relations. The Federal Minister, like the parties to an industrial dispute, has the power to apply to the Conciliation and Arbitration Commission to have a matter being dealt with by a single member of the commission referred to a full Bench. Viewed against the Federal legislation, the Victorian Minister's powers of reference may be seen as an unwarranted, unreasonable, unjustifiable and political intrusion into the industrial disputes settling machinery. For those reasons, the Opposition is opposed to that specific section of the Bill.

The Bill is on trial. The Labor Party accepts the Minister's assurance that the recommendations contained in the first report of the tripartite committee will be implemented. It is acknowledged that a number of organizations in the trade union movement are concerned to preserve the wages board position and those organizations will oppose any measure which dramatically and drastically subtracts that concept of the employee having equal representation on a board with an independent chairman to resolve and settle disputes by a system that has operated since 1897.

The Bill ought to be given a trial. It is to be hoped the Minister will review the legislation in twelve months. The Labor Party does not oppose the Bill, although it does have some reservations.

Mr McINNES (Gippsland South)—The National Party supports the Bill which deals with an important and involved area. I congratulate the tripartite committee which thoroughly examined. over a long period, the Labor and Industry Act and brought forward recommendations for its review. The Committee for Review did differ on a number of issues. However, there will be further reviews and amendments in due course.

There is to be a move away from the wages board system to a court system similar to the Commonwealth Conciliation and Arbitration Commission. There is an endeavour to formalize and structure the current system as it applies in Victoria. The wages board system has worked well. Victoria should not move lightly to a more formal situation.

There are 216 wages boards which cover a wide area of work and interest involving employers and employees. The change is necessary because wage indexation is a fact of life, although the system is under some strain. The wage indexation system has subtracted much of the influence of the State wages boards. Indexation has thrown upon the Industrial Appeals Court the need to continually fine tune and adjust the various determinations.

The situation has changed because there are strikes today by groups of people who, 20 or 30 years ago, would not have gone on strike. There have been threatened strikes by the Victoria Police Force and staff in the Mental Health Division of the Health Commission. There is a proliferation of strikes by the Victorian teacher unions. The emphasis has shifted from the blue to the white collar area.

The main thrust of the Bill is to establish a full time Industrial Relations Commission. Victoria currently has a part-time system, but the workload has increased dramatically over the past few years. The authority of the wages board has changed it from a conciliation body to more of an arbitration body. The State wages boards have dealt with many issues, apart from the narrow issue of wages. The new Bill will reflect the wages boards' past history by calling them conciliation and arbitration boards and providing the chairman with more power to arbitrate. There is a system of appeal

to the Industrial Relations Commission and also a concept of registration of industrial agreements.

The Bill will change the wages boards. In the past, wages boards consisted of employer and employee representatives who generally met in a harmonious situation without the formalized atmosphere of a court room. Common ground was reached by negotiation. Legal advocacy was not provided for except in the case of disputes which necessitated legal advocacy. The absence of legal advocacy may have improved the possibility of arriving at decisions on a reasonably amicable basis.

The current trend is to move more into the area of advocacy and legal representation, and whether that is a good thing or a bad thing remains to be seen. The need for a Bill such as this is evident to everybody because industrial relations is a sensitive area. It is a matter that concerns everybody. No one ever arrives at a point where either he or she is happy about the existing conditions of employment and that, naturally, leads to a leapfrogging situation. If Australians accepted what they currently have by way of conditions, they would be well off indeed.

Provision is contained in the Bill for the recognition of an industrial association because of groups such as the Hospital Employees Federation and the Australian Council of Trade Unions, all of which have a right, and indeed a responsibility, to involve themselves in the work of these boards.

The Minister said that the Bill is designed to preserve the best features of the State wages board system which has served Victoria since 1897. At the same time, the Bill adopts a more flexible and comprehensive structure in order to meet current and future demands. In that regard, the Minister must be guided by the broad work of the Committee for Review of the Labour and Industry Act 1958. That committee was composed of people who represented all sides of the industrial scene.

The report represents a consensus view and, with few exceptions, unanimous decisions. One of the few decisions that were not unanimous was that consideration be given to the question of requiring every wages board to include in its award a procedure for settling disputes in the work place. The committee was unable to agree on that and no recommendation was made.

The report details a code of procedure for the boards. It will be up to the Industrial Relations Commission to have power to call parties together. There will also be power to put the necessary people on the board. The consent of the Minister may have been necessary previously.

However, we understand there is a wide range of amendments and we will consider these as they come forward. One can only hope the Industrial Relations Bill will help to get rid of a lot of the dead wood in the earlier Act, that it will set the pattern for better industrial relations and be accepted as such in good faith by all sections of industry.

Mr BIRRELL (Geelong West)—Victoria retained the old wages board system when all other States had changed over to an industrial commission. I suppose it was only a matter of time before Victoria followed suit for perfectly valid reasons. The second-reading speech of the Minister highlights the fact that we are once more falling into line with other States. In its own way, the wages board historically has been relatively successful. Therefore, we are not transferring a system which has harmed or served the State poorly. That is an interesting feature of this Bill.

It may be worth putting on record that in the community, particularly the industrial relations community—if that is a valid term—there are some grounds for thinking that our systems in Australia, Commonwealth and State, are too diversified and not working alongside each other in the most effective way. At some stage the Commonwealth Constitution might well need amending. I have attended the past two or three

Constitutional Conventions. I am not sure of the process whereby the Victorian delegation arrives at the detail of its decision-making process, but I was asked to speak on these matters at the conventions on behalf of the delegation. We have at least been quite willing to talk openly of handing over certain facets of our industrial relations system while retaining those immediately important administrative parts of the system, namely, apprenticeship, health and industrial safety.

It is interesting to note that Victoria has adopted a rather radical position on these matters at the Constitutional Conventions. The last one never quite reached the point where we had to debate motions along the lines of industrial relations. Therefore, the States have never been put to the test of how they would jointly look at transferring a large part of the State system to Commonwealth control, where there would be a unitary system of industrial relations, with the management of the system left at the local State headquarters, so to speak. That is probably some time away. Naturally the States are a little loath to be giving up too much to the centre. However, many people, and I am among them, believe an extreme line Federal system might have many advantages.

Mr Simmonds—We could all end up in gaol on that extreme line.

Mr BIRRELL—Honorable members should be thoroughly aware of public disquiet about industrial relations in this country, not only in Victoria. I am not sure whether Victoria rates better or worse than other States, but there is ample evidence that people are becoming more unhappy as time passes. Recently in the Gallup poll, which most honorable members realize is a fairly reliable indicator of the sampling of public opinions, published in the *Herald* of 3 September 1979, there were some general public opinions on strikes.

Mr Simmonds—That is only repeating what Mr Murdoch tells them.

Mr BIRRELL—Honorable members may laugh, but it is a serious situation when 74 per cent of the people are trying to say to the Government that unions should pay heavy penalities in certain strike situations, and that this action should be taken when a strike causes great public inconvenience or the union does not wait for judgment or advice from the Arbitration Commission. The same majority of 74 per cent say unions should not have the right to strike when the judgment of the commission goes against them. I am indicating that people in the mass are dissatisfied with the administration of the industrial relations system. Some of this, of course, is related to the national system and not to the local internal system in Victoria. Honorable members should be made aware of these facts. They are there for all to see and something should be done about them.

An advanced country cannot retain its position for long if its industrial relations deteriorate to the extent that it can no longer be relied on to keep its contracts because of interference with the labour supply. This situation particularly predominates in some once proud and advanced countries like the United Kingdom where the car industry has virtually become a second-rate industry. Once it was the greatest in the world. Most of that deterioration was the result of labour troubles.

Mr Maclellan—Industrial suicide.

Mr BIRRELL—The stage can be reached where it is not only industrial suicide but also almost national suicide. Our own stocks are not high on the international scene in industrial relations. Nothing I am saying is very controversial. It is an opinion shared by most reasonable, informed people throughout Victoria and throughout Australia. The proposed legislation seeks to establish some new policies along the following lines: A full-time Industrial Relations Commission is established.

The authority of wages boards is increased, giving the chairman a power of arbitration to assist in the resolution of industrial disputes.

The wages boards are renamed conciliation and arbitration boards and will be co-ordinated within the Industrial Relations Commission.

The functions of the appeals procedures are streamlined so that the president may deal with legal matters sitting alone, thus freeing the other two commission members for other activities. The full commission will still have specific responsibilities and power to assign special duties to individual members of the commission.

The concept of registration of industrial agreements is established.

Provision is made for the recognition of industrial associations.

As pointed out by the honorable members for Gippsland West and Reservoir, most of the initiatives for the Bill have come from the tri-partite study of the Victorian system and the report of the committee for review dated 9 April 1976. The proposed legislation has not varied greatly from the recommendations made by that group. The fact remains that eventually the Government has to be responsible for the legislation and although the detail of the legislation is not identical, the thrust is.

In 1978 the Parliamentary Liberal Party established a committee to make some recommendations prior to the May elections. The provisions of the Bill adhere closely to the committee's recommendations. All parties in the House have some commitment to follow what was put on paper by the Committee for Review of the Labour and Industry Act in its first report. Any differences of opinion are minor. From what I have gathered from debate across the House, it seems that the report has been generally approved by the three parties of this Legislative Assembly. Therefore, the Bill should be fully endorsed.

It is fair to say, as the honorable member for Reservoir has argued today in his usual competent manner on these matters—I give him full credit for his vast knowledge of the subject—that there are some matters of detail on which Opposition members will differ from Government supporters. If that sort of alternative opinion did not exist in the House it would be most surprising, because there are all sorts of facets and different emphases on industrial relations, which often depend on where one sits within the industrial spectrum.

The first page of the report contains a recommendation for an Industrial Relations Act to separate this type of legislation from the Labour and Industry Act. The report proceeds to recommend an industrial commission much along the lines of other States, but, once again historically, because of the role of the wages board, the wages board system is being drafted into the new commission, and so on.

Mr Fogarty—It is a good system.

Mr BIRRELL—That is correct. The committee makes this recommendation on page 5 of its report. It is the view of the committee that the essential phases of the present wages board shall be retained with certain modifications. These tribunals might well be called conciliation and arbitration boards. Those are simply the bare words in the report, and the reasons for so recommending are then set out.

Therefore, most of the actual material backing up the proposed legislation comes from the first report, which was a major report. Obviously a settling period and time in which to make the appointments of people to head up the new system will be needed. Legislation relating to secret ballots and other matters is waiting in this pipeline until this occurs.

Mr Remington—Will the secret ballots legislation be brought in?

Mr BIRRELL—Yes, but not in these sittings of Parliament.

Mr Wilkes—It won't work.

Mr BIRRELL—The Leader of the Opposition stated an opinion that is fairly widespread, that the legislation will not work. Everyone who knows the field agrees that it will be extremely difficult to make it work. I leave the matter at that point, but state that at least some attempt will be made in that direction. Once again, it will be experimental legislation, but at least it will fulfil the promise made by the Premier in his policy speech in May 1979. It is

one of the issues that has attracted a great deal of support in the market-place amongst voters.

The SPEAKER (the Hon. S. J. Plowman)—Order! The subject-matter being covered by the honorable member may be of interest in the market-place but it does not relate to the Bill. I ask the honorable member to come back to the subject of the Bill.

Mr BIRRELL—I was just mentioning that there would be a gestation period before the passing of the Act, that it may take about six months to come into effect, and that in due course certain other legislation will follow.

I have a great deal of information to which I could refer, but in the straitened circumstances where the Parliament has to deal with a large Notice Paper, I will leave it aside and trust that the new system will be given a go and hope that the high expectations will bear first-class fruit.

Mr ERNST (Geelong East)—I congratulate the Minister for raising the industrial relations part of his portfolio from its traditional low profile to a place where at least it will receive some financial commitment and some sensitivity. Whether this is brought about by the pressures of Victoria's record in the number of working days lost, which in the six months from January to July was the highest in Australia—807 500—or by media pressure remains to be seen, but it will certainly increase the Government's credibility.

I also pay tribute to the committee which drew up the report on the Labour and Industry Act, particularly in regard to the recommendations which the Minister has followed through. This will decrease the number of industrial disputes. A number of recommendations in the report will be of benefit to everyone.

Some honorable members referred to the causes of industrial disputation. An article in the *Bulletin* contained a break-up of the causes of last year's industrial disputes and stated that managerial policies accounted for the highest number of disputes, 36·5 per cent; wages accounted for 24·9 per cent and physical conditions for 19·3 per cent. Those figures show that it is not the unions which are at fault, but management and the Government. Some sensitivity must be shown and discussions must be held between management and Government heads to avoid disputations.

A number of provisions in the Bill worry me, and I hope the Minister will not continue the Government's philosophy of disadvantaging workers. Clauses 11 and 44 will allow the Minister to interfere in a dispute or with the powers of the board. In his second-reading speech, the Minister said:

> It will also enable the State system to work in close co-operation with that of the Federal Government in developing fair and equitable wages and conditions throughout industry.

Honorable members know the record of the Federal Government in this regard, and I hope the Minister of Labour and Industry and the Government will not act in a similar fashion.

I am also concerned about certain agreements. Victoria has developed an informal system of consent agreements. I should hate to see a system of forced agreements, as this Bill proposes, imposed upon employers and employees.

Another matter that worries me is the possible deregistration of unions. This may be a follow-up to the Federal system whereby sanctions may be used to deregister unions, and the union movement is extremely concerned about that matter. An article in the *Herald* on 16 October under the heading "Unions uneasy over change" referred to this matter.

The Minister stated in his second-reading speech that he hoped the change would enable State industrial tribunals to foster an atmosphere of harmony and mutual benefit second to none in Australia, and the Opposition agrees with that proposition and would like that to happen. If the Minister takes notice of the Opposition's points and incorporates them in his proposed amendment at the appropriate time, this will happen.

The article in the *Herald* to which I referred went on to state that:

> recognition of employer or union organizations could be revoked if the commission found they had failed to comply with orders.

This, unions say, appears to threaten unions with penalties similar to the deregistration powers of the Conciliation and Arbitration Commission in the Federal sphere.

If that is the Minister's intention, the incidence of industrial disputation in Victoria will not decrease and harmony will not be achieved in the Federal field.

Mr Ramsay—Do you mean unions are intending to break their agreements?

Mr ERNST—I did not say that; I referred to the threat of deregistration, and the Minister is apparently threatening the unions with deregistration. Many industries have adopted the practice of using agreements reached by consent. That is a positive approach, and it is paying off in some Federal Awards. For instance, the Alcoa award which operates in the electorate I represent is reached by consent, and there is no threat of industrial deregistration in that area unless someone wants to use the agreement for his own benefit. One can understand the Government using it for its own benefit.

One can see the benefits of the report on the Labour and Industry Act in co-ordinating and resolving disputes more quickly, provided the proposed amendments are presented at the appropriate stage. If the Government is genuine in its attempt to create harmony in the industrial sphere, this Bill and its provisions will certainly help in that way, but it is up to the Government to decide whether that will be the case. I look forward to seeing the proposed amendments at the Committee stage.

Mr SPYKER (Heatherton)—Although the Opposition does not oppose the measure, it believes the Government must look at matters as they are and that, probably, further legislation will be necessary to cover the present inadequacies.

There is a tendency to arm ourselves to the back teeth with legislation, but no matter what legislation is on the statute-book, very little can be done to force people to adhere to it if they do not believe it is in their interests to do so or if they believe it is not good legislation. After all, there are always two parties in any industrial dispute—the employer and the employee—and they ought to have equal rights.

I worked in the manufacturing industry for more than 20 years, and in my workshop we made recommendations or had discussions with employers but, in some instances, a person could talk until he was blue in the face and nothing would be done, whereas one ounce of action seemed to get many things done. The industrial action we had to take was not over wages but mainly over working conditions in paint shops where blowers had broken down and had had to be dumped. Having been a shop steward for the past four years in the plant where I worked, that was of deep concern to me and I always tried to take a responsible position. I tried to realize that both the employer and the employee were involved, and I had a responsibility to the people I represented. My company had a good record in reaching agreements through discussions.

The management was understanding, humane and flexible, rather than dogmatic, and did not dig in its toes over silly little issues as, unfortunately, often happens. Sometimes one must give way although one knows one is right, and no amount of legislation on any statute-book will alleviate that situation. It is much better for people to sit down, take a common-sense approach and talk things out.

Mr Ramsay—On both sides.

Mr SPYKER—On both sides, and that is why it concerns me that in cases where both sides have sat down and talked about a matter and taken it to their tribunal for hearing, the decision can be overruled. I refer particularly to the case of teachers of handicapped children, where a tribunal decision was given and the Minister appealed against it. Teachers from a school in the electorate I represent contacted me and were irate about the decision.

Mr Ramsay—You misunderstand the situation.

Mr SPYKER—They were advised by the Minister to go to the tribunal for the hearing; the result was handed down and the Minister wanted another chop at it by appealing against the decision.

That is not good industrial relations. It does not matter whether it refers to teachers generally or teachers of the handicapped; when people have gone through the laborious process of taking a case to the tribunal, the Minister should not be able to appeal against the decision.

The other point I make is that the reason the wages boards in Victoria were so successful is that they operated at a low level involving employers and employees who knew the industry and the problems and difficulties involved. They sat down, without the glare of publicity or threats of pressures or penalties, and came to satisfactory agreements.

That is most important and that is why the wages board system has functioned effectively in Victoria and that climate should continue because in any major industrial dispute nobody wins. One is in a no-win situation, but sometimes a section of the work force is forced to take strike action although it is harmful to the worker and his family and causes many difficulties.

The other aspect which concerns me is the lack of legislation covering industrial safety. It is frightening the number of industrial accidents which happen and which are not reported. The community attitude adopted in this area is deplorable, for if there is an industrial dispute somewhere, it receives front page coverage in the newspapers but if a death happens in a factory accident little publicity is given to it. More attention should be paid to industrial safety. I would welcome legislation, especially if it improves the lot of injured workers who are minors, as provision should be made to give their parents some legal rights. If a 15, 16 or 17-year old worker is involved in an industrial accident his parents have no legal rights as they are not dependants. I would welcome legislation in that area of industrial activity.

I again urge the Minister, when he is thinking of introducing a Bill on any industrial matter, to have consultation with the trade union movement and the people who may be affected by the proposed legislation. It is good that on this occasion there was consultation between all parties interested in the measure, and its introduction generally meets with the approval of those who will be covered by its provisions.

If the Minister just introduced a Bill and informed the trade union movement that it had to like it or lump it, that would do nothing for industrial peace and harmony. I understand on this occasion no opposition was raised, apart from the suggestion of a few minor amendments, and that there was broad agreeemnt on the Bill. I welcome that and hope it will continue in the future. The Minister cannot just go ahead and introduce legislation and inform the trade union movement that it will have to put up with it because that does not solve disputes or help industrial relations. In order to obtain industrial harmony and peace and to solve problems, conferences should be held between all the parties involved. Honorable members should not forget that.

Lately there has been sensational publicity over industrial disputes and the honorable member for Geelong West quoted figures relating to industrial disputes and the attitude of people to those disputes. Nobody likes an industrial dispute. I have been involved in industrial disputation and I know the reaction of the men when they collect their pay packet at the end of the week. It must be remembered that they have families to feed and high commitments to meet. The workers take industrial action reluctantly and no worker receiving a small pay packet takes industrial action unless it is essential. For some people it is an enormous sacrifice as the effects of industrial disputes can be devastating.

In the factories in which I have worked, the average take home pay was $140 a week, out of which the worker had to meet all his commitments. Obviously the workers are most conscious of their position when they take industrial action and do not make a decision lightly.

When future industrial legislation is considered, I urge the Minister to keep this in mind and he should not introduce a Bill which will cause problems to many people in the work force. Normally people working in factories in the electorate I represent would abide by the decisions which have been made, but if they consider that they have been incorrectly treated and the employer has not done the right thing, they will take industrial action but they will arrive at that decision only after considering the matter fully.

The Minister may argue that this is done automatically, and that has been mentioned in the House today, but it is done in an area of industrial relations which does nothing to assist or promote industrial harmony.

Mr WALSH (Albert Park)—Like my colleagues in the Opposition, I have some reservation on some of the clauses of the Bill. The Bill contains 105 clauses and the Opposition is not happy with some of those clauses and intends to go into them in depth during the Committee stages. I understand that there has been some agreement after consultation with the Minister of Labour and Industry and I hope the clauses which are to be opposed will be amended by the Minister as a result of his consultations with the Trades Hall Council.

The Bill has been introduced following the report of a committee of review which considered the Labour and Industry Act. The tripartite committee was set up and the Trades Hall Council was represented by Mr Nolan and Mr Mitchell, who had to leave the review committee because of other commitments they had at a Federal level. The two people who replaced them were Mr Marsh and Mr Gordon, and they subsequently represented the Trades Hall Council on the committee for review. The final report of the committee was delivered in March 1978, more than eighteen months ago. It has taken that long for the Bill to be introduced into the House.

I was at the meeting when the Trades Hall Council made its final decision to accept the Bill with reservations. It was not a majority decision and there were some who had grave reservations about many of the clauses. I thought they were entitled to those reservations and I hope proper consultation has continued to bring those clauses up to the standard acceptable to the trade union movement.

The Trades Hall Council is prepared to work in co-operation with the Government on industrial relations and to bring up to date the legislation covering industrial matters. This can only lead to a better working relationship between the Trades Hall Council and the Government. One hopes that a measure which has taken eighteen months to be introduced into the House will not take another eighteen months to be proclaimed after it has passed through the Parliament. In twelve months' time, I hope a review of the legislation is carried out, for that is what members of the Opposition have been submitting to the Minister, and when the honorable gentleman replies I hope he will indicate that the Government is of a similar view because that is what the Trades Hall Council has been seeking. If the legislation is reviewed in twelve months' time, I hope harsher penalties are not included in it because that could lead to confrontation.

There has not been a good start this year in industrial relations. One dispute which occurred was at the Government Printing Office. That dispute arose because a $10 increase had been granted to printers in the private sector doing the same sort of printing work but no offer was made to the workers in the public sector. Surely if those workers were doing the same work, for the sake of good industrial relations and harmony an employer would sit down with the employees and come to a decision which would be acceptable to all in the industry.

Also an anomaly is involved because in this case the workers in the Government Printing Office can not have any increase back-dated beyond four weeks. Any increases flowing from a decision made by a commissioner of the Arbitration Commission

can be back-dated for months, and even up to a year, which tends to place a large amount into the pocket of the worker. That is a good industrial relations policy.

However, in the public sector, any increase which might flow to employees in the private sector does not automatically flow on to workers in the public sector and sometimes they have to wait about ten to twelve weeks before receiving the increase. This is what happened at the Government Printing Office where a work value case was undertaken when a flow on should have occurred automatically. The increase should have applied retrospectively, whether the workers were to receive $10 or not.

Another dispute involved the cleaners at the Tullamarine airport, who were awarded an increase of $11 but in that case the Minister of Labour and Industry appealed against the decision.

Mr Ramsay—Why did he appeal?

Mr WALSH—He appealed because he did not agree with the increase. I am referring to industrial relations and efforts made to promote a better relationship between employers and the unions. In the Tullamarine cleaners case, the Minister lodged an appeal which Judge Leckie heard. It is my understanding that there was a six weeks' delay in the decision being handed down and eventually the appeal was upheld. On the same day, the employers and the union sat down and reached agreement on an increase. In my view an increase of $11 was certainly the right decision to make and should have been given to the cleaners at Tullamarine airport.

Surely if a proper decision has been made, an appeal should not be lodged by the Government because its workers have been given an increase. If the employer accepted the decision and no appeal had been lodged, that would have promoted good industrial relations and brought about a good working harmony between the union and the employer.

Another dispute confronting the Government not so long ago involved the Minister of Transport. He decided to lock out railway employees one week-end. The honorable member for Knox and the honorable member for Dandenong arranged to meet with the Minister of Transport. They got together with the unions and the Minister and thrashed out a satisfactory result. But for the initiative of these two honorable members the dispute may not have been resolved.

There has not been a stoppage in the railways since that occurred so the decision reached must have been the right one. However, I do not think the amount awarded was sufficient to bring the wages of the employees up to the level of wages received by their counterparts in New South Wales. That is certainly a problem.

In examining disputes, one should take a look at another situation affecting industrial relations in this State. At the moment the national wage case hearing is continuing and in its submission the Government has urged the commission not to grant more than a 2·5 per cent increase. That type of action will not promote peace and harmony. Victoria has suggested the lowest increase of any State in Australia, and if the Government had any initiative it would have at least supported the average of the States as such a step may have helped the industrial situation. If that had occurred, Victoria would not be the State going for the lowest increase. Action such as that does not help industrial relations or promote harmony in the work place or in the trade union movement.

Approximately 95 per cent of stoppages in industry arise in the work place, but the majority are diffused within hours. In many cases the dispute is inflamed because of provocation from the employer, who, over some silly little dispute, may sack a union delegate or a workers' representative for a minor misdemeanour.

He may have left his work place only to talk to a member of his union. That is the sort of thing that happens. If

there is a strike it gets headlines indicating that it is a political strike. That is because the Government believes it can get capital from it. That attitude is not good for industrial relations.

The best thing for industrial relations is for employers to sit down and talk with employees' representatives and discuss the problems. It is not a one-way ticket. It is not good enough for the Government to say it is right all the time. How many times does the Government compromise? Not very often. It prolongs disputes because of a lack of understanding of industrial matters.

I come from an industry that is known for having had many disputes and I spent fourteen years as a part-time or full-time union official. Most of the disputes were resolved quickly and smartly. Some were provoked because the employers would not sit down and discuss the problems with the union; it would ignore the union. What are the workers to do? If a matter of safety is involved, they must take action. The employers should be prepared to discuss problems with unions. That is the only way in which industrial relations can be improved.

I hope the Minister has examined the amendments recommended by the Opposition and the trade union movement and I hope those amendments will be accepted. I hope the Bill has a speedy passage and I hope that if it is reviewed in twelve months' time there will be a common-sense attitude displayed by all sides so that better industrial relations can be achieved because that would be in the interests of the people. Everybody wants better industrial relations because there have been too many disputes, most of which were provoked by the employers and the Government.

Mr JOLLY (Dandenong)—The Opposition supports the thrust of the Bill but has some concern about particular clauses. Those matters have been elaborated on by honorable members who spoke on behalf of the Opposition.

I wish to make it clear that many conservative Governments, of which this Government is one, seem to take the view that the rule of law is the best way in which to settle industrial disputes. That is not right. The emphasis should be on attitude and conciliation. The Government is noted for its lack of conciliatory attitude. It always seems to seek confrontation rather than co-operation. That is the antithesis of good industrial relations. Unless the Government is prepared to conciliate and adopt a reasonable wages policy, it is inevitable that industrial relations will worsen.

Victoria has an appalling record in industrial relations. I shall refer to the record during the three years 1976, 1977 and 1978, and then deal with what has happened during the first seven months of 1979. In making comparisons between the situations in the various States, it is necessary to allow for population differences and differences in the sizes of the work forces. The only way in which it is possible to make a meaningful comparison of the performances of the various States is to examine the number of working days lost per employee. That irons out the differences between the sizes of the labour forces.

The figures reveal a disastrous record in Victoria. In 1976 this State was on top of the list with more than 1051 working days lost per 1000 employees. The figure for the State with the next worst record was 824 working days lost per 1000 employees.

Mr Weideman—We have got to lead somewhere.

Mr JOLLY—This is a very poor area in which to be at the top of the tree. It has already been pointed out that nobody likes industrial disputes. The workers lose their pay and are often inconvenienced. The amount of industrial disputation should be reduced, but that is not the policy of the Government. I will be illustrating that point when I refer to the approach adopted by the Victorian Government before the Conciliation and Arbitration Commission.

As I have already pointed out, in 1976 Victoria had the highest number of industrial disputes as reflected in the number of working days lost per 1000 employees of all the States in Australia. In 1977 Victoria had the second highest number of working days lost per 1000 employees. The State with the highest number was Western Australia, for which the figure was 529. Victorians lost 432 working days per 1000 employees, which was significantly above the Australian average of 335 working days lost per 1000 employees. In 1978 there was an improvement. Instead of being second, Victoria was third; in the middle of the league, so to speak. In that year in Victoria 344 working days per 1000 employees were lost compared with the Australian average of 430 working days lost per 1000 employees.

In the early part of 1979, industrial disputes in Victoria increased. The trend is alarming. In 1976 the working days lost in Victoria constituted 37·4 per cent of the total working days lost in Australia. That is an appalling record because the Victorian work force is nowhere near 37·4 per cent of the Australian work force. In 1977 the number of working days lost in Victoria represented 35·4 per cent of the Australian total—again well above Victoria's representation in the labour force. In 1978 the figure was 22 per cent, which is getting nearer to Victoria's proportion of the total work force.

However, in the first seven months of 1979—and this is very much a cause for concern—with a total of 1·437 million working days lost, Victoria had not only the highest number of industrial disputes in Australia but also the highest total number of working days lost of any State. That is an appalling record by anybody's standards. It constitutes 37·2 per cent of the total number of working days lost in Australia. I reiterate that the Victorian work force is nowhere near 37 per cent of the total Australian work force.

The Victorian industrial relations performance has deteriorated remarkably in the past twelve months and 1979 is a bad year. In many ways, that reflects the industrial relations performance of the Government. It is unfortunate—and this should be given top priority—that a breakdown cannot be provided showing the number of disputes that occurred in the private sector and the number that occurred in the public sector. That would enable one to work out how many working days have been lost as a result of industrial disputes in the public sector, which would show whether the policies of the Government in seeking confrontation and disputation were responsible for the major part of the problem. However, those figures are not available and all that is known is that Victoria's industrial relations record is woeful.

The Government's attitude is so bad that, in a national wage case during which wage fixation principles were discussed, Mr Madden, the advocate of the national employers, commented that the proposal put forward by the Victorian Government was likely to cause more disputes than it was likely to resolve. That remark is on the transcript and it deals with a proposal put by the Government to the full bench of the Arbitration Commission for settling industrial disputes.

The Victorian Government does not have good rapport with all of the people involved in arbitration cases before the commission and, if industrial relations are to be improved, that situation must be improved. It is no wonder that that is the case when one considers the matter from the point of view of wage and salary earners. Since the State elections in 1976, on no occasion has the Victorian Government supported full wage indexation. On every occasion it has been opposed to full indexation. It has always supported the policy of reducing the buying power of wages. That places wage and salary earners at a significant and serious economic disadvantage. It also means that any hope of a consumer-led economic recovery is lost.

During the last national wage case, not only did the Victorian Government not support full wage indexation, it

also, after a number of detailed questions from the bench, admitted, through its advocate, that it was opposed to any increase. It not only refused to support an increase of 2·5 per cent but opposed any increase, despite the fact that in the past six months the consumer price index had increased by 5·1 per cent. In other words, wage and salary earners had suffered a loss of 5·1 per cent in the buying power of their wages, but the Government believed they should not be even partially compensated for that erosion of their standards of living.

If this attitude continues, it will result in more industrial disputes. I reiterate that the approach in Victoria should be to minimize industrial disputes and confrontations. Unfortunately, the Government does not agree with that. Too often the Government relies on lawyers. It has a strong team of lawyers appearing before the Arbitration Commission—I am referring to the number, not the quality.

Mr Simmonds—They are very expensive.

Mr JOLLY—That is so. The Opposition has asked the Government how much it costs the State and I point out that it costs a considerable sum of money not only to pay the advocates but also to pay a professor of economics to provide them with economic advice. Apparently, the Victorian Government cannot provide sufficient economic advice to its representatives to allow them to put a case before the commission. That is another reflection on the economic incompetence of the Government.

The Government must consider the way in which it makes submissions to the Arbitration Commission. It is surprising that in every anomalies case, whether it has anything to do with the State or not, the Victorian Government is always represented. It seems in many cases that the Government appears in cases in order to provoke rather than to settle industrial disputes. The most promising feature associated with the Bill is that it is the result of consultation with the trade union movement and employers. Unfortunately, it has taken eighteen months for these recommendations to be brought before the House in the form of a Bill. I hope the Government will expedite the implementation of these provisions. The Government needs to be careful not to place so much emphasis on the philosophy that the rule of law prevails in industrial relations. Often that attitude results in confrontation. It means that conciliation and consultation does not take place when it should. Often the Government has referred matters to arbitration when the position could have been discussed with a better chance of settlement, and when an industrial dispute could have been nipped in the bud.

I hope the Minister will take note of some of the comments I have made today. Victoria needs an industrial relations policy based on consultation and co-operation. A continuation of confrontation will mean further deterioration in the industrial dispute position in Victoria.

Mr RAMSAY (Minister of Labour and Industry)—This Bill is historic in that it is the first time for many years that an industrial relations Bill has been introduced into a Parliament in Australia which has had the full support of both sides of the House. To have achieved that kind of general consensus says much for the initiative of the Government. It is disappointing that, in debate on a Bill of this nature, some speakers from the Opposition have felt obliged to canvass widely the industrial relations field and to draw into argument and disputation a whole host of unrelated questions.

The honorable member for Dandenong suggests that a conservative Government, which is how he sees the Victorian Government, depends first and foremost on the rule of law in the settlement of industrial disputes. That is in contradiction to the spirit of the Bill before the House. Clearly, the whole emphasis of the Bill, and it has been the emphasis of the policy of the Government for many years, is that it looks to conciliation and discussion for the settlement of industrial differences in the work place. The Government is not looking for the rule of law. The

honorable member for Dandenong and the Opposition make a mistake when they argue that they want conciliation and discussion, but always on their terms. If there is to be settlement by conciliation, there has to be give and take on both sides in any discussion. As a last resort, there must be resort to arbitration and, as the honorable member for Dandenong calls it, the rule of law. There must be agreement between the parties in any situation that the decision of the umpire in the last analysis will be accepted. This is not ignoring the opportunity for conciliation and discussion. Unless there is general acceptance that the decision of the umpire will be accepted in the last analysis, the system will break down. If one side is saying, "I will play the game only if I get my own way," the game will not continue. If one side is seeking to get its own way all the time and is not prepared to recognize the other side's point of view, the system will break down. This is the essence of the Bill before the House today.

The Government is seeking to maintain the conciliation activities of the wages board in the Conciliation and Arbitration Board as it will be called; but the Bill provides for a number of alternative roads to be taken in the settlement of any industrial dispute so that it can be settled by discussion, by conciliation and by a mutual acceptance of the abritration procedures.

In some ways it is not surprising that there is a degree of acceptance of this Bill, given the manner in which it originated—through consultation with the committee of review, through consultation with the Trades Hall Council, through consultation with employer representatives. It is encouraging that the Government can bring forward matters of this type for the consideration of the House.

The honorable member for Reservoir has indicated that there are some amendments to be proposed. They are Government amendments. Perhaps the Government should be criticized for having to propose so many amendments to its own Bill. The background of this should be explained. Partly, it is due to the unique origins of the Bill that the House is now faced with these amendments. The Bill was drafted following the report of the committee of review. Naturally, the participants in that committee of review were interested in exactly what shape the Bill would take in order to enact the recommendations of the committee. It would have been improper for the Government to take the draft legislation back to that committee before Parliament was given the opportunity of reviewing the Bill itself. Since the Bill was introduced last month, there has been further consultation with the committee of review, with trade union representatives, with employer organizations on that committee and also with the Law Institute and the Bar Council, as they have an interest in the nature of the Bill. It is from representations from each of those groups that the amendments originated.

There has also been a degree of editorial review. On reflection, some of the clauses could have been expressed more clearly, and some effort is made to make the meaning clearer. There are minor errors of drafting and typographical errors which are not of much significance in the debate in this House. The Government wishes to maintain the degree of consensus that exists in the business community and in the work place, so far as the Bill is concerned. That is the reason for introducing a number of these amendments. The detail of the amendments can be discussed more fully in committee.

It is the Government's intention to give effect to the provisions of the Bill as quickly as possible, to introduce the commission and have it working effectively as soon as possible. It is proposed, after the commission has been operating for twelve months, to review the legislation carefully to see whether it has been working as effectively as all parties in the House today hope it will work. There are some new concepts in the Bill. There are areas of activity with which the old wages board system was not engaged and the Government will want

to see just how effectively they work in practice. I assure the House that the Government will be prepared to review the legislation after it has been in operation for twelve months and will then consider whether further amendments are necessary. I commend the Bill to the House.

The motion was agreed.

The Bill was read a second time and committed.

Clauses 1 to 3 were agreed to.

Clause 4 (Establishment of Industrial Relations Commission of Victoria)

Mr SIMMONDS (Reservoir)—Clause 4 provides:

There shall be an Industrial Relations Commission of Victoria which shall consist of the following members—

(*a*) a President;

(*b*) two members appointed as Commissioners;

(*c*) so many members, being chairmen of Boards, as may be necessary for the administration of this Act.

In commenting on this clause the Opposition makes the point that the positions of the president and the other two commissioners of the Industrial Relations Commission of Victoria are extremely important. I understand that it is the present intention of the Minister to proceed with the provision whereby the president will have the right to sit alone and deal with matters referred by appropriate boards. In any event the appointment of both the president and the commissioners is an important and sensitive action. I hope that, in advertising these positions, the Minister will set qualifications which will attract people who are likely to be involved with the grass roots settlement of industrial disputes, people who are competent in the area of "industrial relations". I put those words in inverted commas because I would be loath to see some of the people who have been employed as industrial relations officers in various establishments considered for appointment to those positions. A background of experience in industry ought to be a prime consideration in the appointment of these people. I draw the attention of the Minister to that need and I hope he will tell the committee what his intentions are, not so much in respect of the personnel but in respect of the qualifications of the appointees and the expectations he may have as to their capacity to perform the task defined in the Bill.

Mr RAMSAY (Minister of Labour and Industry)—As the honorable member for Reservoir points out, clause 4 sets out the composition of the Industrial Relations Commission of Victoria. The qualifications for that position are covered in clause 5. I understand that the honorable member's remarks relate more generally to the appointment of the two commissioners. My expectation is that the commissioners appointed will be practical men of wide experience in the field of industrial relations and in the working of an industrial relations system.

They will be people who can bring to the job much wisdom and experience, recognizing that industrial relations are best determined by sensible discussion and a willingness to give and take in the many complex issues that arise, rather than in strict judicial interpretation of any clause in any Act of Parliament. The main aim in industrial relations is to generate a level of understanding between the parties involved and I certainly expect those appointed as commissioners on the Industrial Relations Commission to be people who will bring those qualities to the task.

The clause was agreed to, as were clauses 5 and 6.

Clause 7 was verbally amended, and, as amended, was adopted, as were clauses 8 to 10.

Clause 11 (Powers of Commission in Full Session)

Mr SIMMONDS (Reservoir)—I move:

Clause 11, lines 15 to 18, omit paragraphs (*b*) and (*c*).

Clause 11, line 37, omit "(*e*)" and insert "(*c*)".

The CHAIRMAN (Mr A. T. Evans)—The first amendment of the honorable member for Reservoir would preclude the Committee from considering the amendments sought by the Minister. I

propose to test the amendment by proposing that paragraph (*d*) relating to any application for the interpretation of the provision of an award or a registered agreement, stand part of the clause. Those supporting this amendment should vote "No".

Mr SIMMONDS (Reservoir)—As I indicated during the second-reading stage, the Opposition objects to the Minister having the capacity to interfere in the workings of the commission. As far as possible, the commission should appear to be independent and following its charter in the area of industrial relations, and Ministerial interference by way of this clause ought to be rejected. The two relevant parts of clause 11 are:

> The Commission in full session may hear and determine—
>
> (*b*) any application with the consent of the Minister for the constitution or abolition of a Board;
>
> (*c*) any application with the consent of the Minister for the jurisdiction of a Board to be increased or reduced;

That seems to be an interference with the independence of the commission, which is undesirable and ought to be opposed.

Mr RAMSAY (Minister of Labour and Industry)—The Government does not agree to the amendments proposed by the Opposition. They desire the deletion of paragraphs (*b*) and (*c*) in clause 11(1). The Government believes it is necessary for the commission to be in a position to hear and determine any application for the constitution or abolition of a board or for the extention of the jurisdiction of a board or for the reduction or the jurisdiction of a board. This seems to be one of the functions of the commission in full session.

If, as I understand it, the honorable member for Reservoir is mainly concerned about the provision that the consent of the Minister is required for such a variation, I point out to the honorable member that the second amendment that I propose to move shortly in relation to this clause may overcome this objection. The Government will press for the removal of the words "with the consent of the Minister". This means it will leave to the commission in full session the power of hearing or determining any application for the constitution or abolition of a board or for the size of a board to be increased or reduced. If the honorable member finds that proposal acceptable, I suggest that he withdraw his present amendments and allow amendments Nos. 2 and 3 in my name to proceed.

Mr SIMMONDS (Reservoir)—In view of the Minister's intention to withdraw the offending principle, the Opposition withdraws its amendments.

By leave, the amendments were withdrawn.

Mr RAMSAY (Minister of Labour and Industry)—I move:

> Clause 11, line 15, omit "with the consent of the Minister".
>
> Clause 11, line 17, omit "with the consent of the Minister".

The explanation for those two amendments has already been given to the Committee.

The amendments were agreed to, and the clause, as amended, was adopted.

Clause 12 (Powers of Commission in Court Session)

Mr SIMMONDS (Reservoir)—As it stands, clause 12 provides for an appeal to the president of the commission. Members of the Opposition believe it would be far more democratic and conducive to a decision acceptable to the participants in the dispute if the appeal were to the full bench comprising the president, a commissioner and the chairman of the appropriate wages board, or, alternatively to the full bench. I understand the complications which may have caused the Minister some concern in respect of a commissioner who might have been involved in a hearing being involved in the appeal process, but it would be far better to accept that position than to have the president sitting alone as the sole determinant of all appeals. This is a vital section of the Bill and from conversations I understand that at least consideration will be given to this position by the Minister. I hope that, while the Bill is

between here and another place, further consideration might be given to the position that has been put. I move:

Clause 12, line 23, after "President" insert ", a Commissioner and the Chairman of the appropriate Wages Board".

The intention of the amendment is to provide a broader based appeals board, as opposed to the concept of the president sitting alone and all that that entails.

Mr RAMSAY (Minister of Labour and Industry)—I appreciate the problem that the honorable member for Reservoir is trying to overcome with this amendment, but having given it some consideration, I am not prepared at this stage to accept the amendment as I believe the solution being offered may be less desirable than the problem that it is attempting to solve. Clause 12 deals with the powers of the commission and particularly this new idea of a commissioner hearing and determining certain matters while sitting alone. To have a commissioner sit alone will be something new in the Victorian industrial relations scene, and I expect it will speed up and expedite the work of the commission considerably. However, if a commissioner sits alone, it is desirable to have some appeal procedure if one of the parties to the hearing is seriously dissatisfied with the conclusion that the commissioner reaches.

The question is: To whom should such a party be able to appeal? As clause 12 stands, it is proposed that the appeal should be to the president, that is, in effect, the commission in court session. What alternatives are available to this suggestion? There could be an appeal to the commission in full session, but one could find oneself with the situation that the commissioner against whom the appeal was made was a member of the commission in full session; so he would be one of the parties hearing an appeal against his own decision. That clearly is not satisfactory.

The rather unique and imaginative proposal put forward by the honorable member for Reservoir was that instead of the commissioner against whom the appeal was being made being a member of the commission, there should be brought in the chairman of the appropriate wages board. The Government envisages problems in doing this because it means bringing in a chairman who may have already been associated with the matter that has been taken to the commissioner for hearing, then sitting in a position of an appeal judge on the matter. That is equally unsatisfactory.

Having thought about the matter, the Government has reached the conclusion that the best method is to leave the clause stand as it is, making an appeal to the president alone when it is a matter that has been heard by an individual commissioner. In the review that follows, 12 months after the operation of the commission has been established, the Government will consider the matter again and determine how it has worked. If a commissioner hears the matter and the appeal then goes to the president, if the president upholds the appeal, the senior man of the commission disagrees with the commissioner who predetermined the matter. If the appeal does not succeed, the majority of the commission agrees on the point in dispute.

I give the undertaking to the Opposition that the matter will be monitored closely during the first twelve months of the operation of the commission and will be reviewed again.

Mr SIMMONDS (Reservoir)—I place before the Committee the recommendations of the tripartite committee of inquiry on which this Bill is based. It refers to the commission in full session and its functions in accordance with the recommendation are as follows:

To hear and determine:

1. Applications for the constitution of new boards or for re-adjustment of the powers of existing boards.
2. Nominations of persons to be appointed members of boards.
3. Applications for interpretation of provisions of awards.
4. Any industrial matter referred to it pursuant to the Act by the Minister, or a board or its chairman, for example, standard setting matters, common matters and matters of public interest.

5. Appeals brought by competent persons against board awards.

6. Appeals or references by the Registrar on matters concerning the registration of organizations under the Act.

7. Revocations of registration of agreements.

8. Any other matters prescribed by the Act.

It is clear that the recommendations of the committee provide for appeals to be brought before the commission in full session and appeals should be dealt with by the commission in full session.

I regard that tripartite committee as a far more expert body to make an analysis of the provisions than the Government or a Minister who has been placed in a position of not being the person to whom the committee was initially required to report because of a change in Government appointments. It is no fault of the Minister, but the fact is that the proposed legislation has been drafted and a report which was made to one Minister was inherited by a second Minister. The Committee of the House should recognize that the people with expertise in this area adopted that position after consideration.

If one takes a conciliatory approach to the measure, what will cause friction and division should be removed before the proposed legislation is foisted on the participants. If the proposed legislation is thrown into the industrial arena it will create a situation which it is ostensibly supposed to avoid.

I gave the Minister the opportunity of indicating whether he is prepared to review the clause and perhaps talk to the people who were members of the committee and get their reasons for the decision that was made. That would not take long. That would mean that when the Bill goes to the other House it will have received that consideration. Alternatively, the Minister could give an assurance and introduce the results of the consultations in another place and then bring the Bill back to this House to be presented as a Bill which would be more capable of carrying out the functions for which it was supposedly designed. Unfortunately, in the present position, the Opposition will have to proceed with an amendment.

Mr Simmonds

Mr WALSH (Albert Park)—I support the amendment. If it is left to the president of the commission to make a decision it will mean a one-man band will make the final decision. If the decision is not favourable it could inflame a dispute. On the occasions when the Full Bench has given a decision it has always been carried out but if we have a situation that one man makes a decision and the right of appeal goes to one person that is unpalatable. That will happen in the next twelve months, which is what the Opposition is concerned about. I have my own reservations. It would be in the best interests of industrial relations for three people to hear an appeal. I ask the Minister to consider that suggestion.

Mr RAMSAY (Minister of Labour and Industry)—The honorable member for Albert Park suggests that all appeals will be heard by the president sitting alone. That is not correct. He will only sit alone on appeals against the decision of a commissioner sitting alone. Clause 11 (1) states:

The Commission in full session may hear and determine—

. . . . .

(*f*) any appeal under this Act against an award made by a Board;

The general appeal procedures for any issues before the Conciliation and Arbitration Commission will be to the commission in full session. The Committee should look at one other matter, namely, that clause 12 (2) states:

A Commissioner sitting alone may hear and determine—

(*a*) at the direction of the President, any industrial dispute or any matter referred to the Commission under section 11 (1), paragraph (*e*);

(*b*) any other matter which he is by this or any other Act authorized or required to hear and determine.

A commissioner sitting alone will be hearing and determining matters referred to him by the President. The use of a commissioner sitting alone is to expedite the work of the commission and the president will decide what matters will be referred to such a commissioner. By adopting the proposed legislation as it stands we are not making the president the sole source of appeals

for all work of the boards acting under this commission. It is only in this restricted area of the commissioner sitting alone.

I repeat the undertaking of the Government that the matter will be closely watched and will be included in the review after the commission has operated for twelve months. I explain my reasons for sticking to this position, believing that the appeal procedure that is being suggested by the Opposition, by way of amendment, is not the most appropriate one in this case.

The Committee divided on Mr Simmonds's amendment (Mr A. T. Evans in the chair).

Ayes	29
Noes	42
Majority against the amendment	13

AYES

Mr Cain	Mr Remington
Mr Cathie	Mr Roper
Dr Coghill	Mr Sidiropoulos
Mr Crabb	Mr Simmonds
Mr Culpin	Mr Simpson
Mr Ernst	Mr Spyker
Mr Fogarty	Mr Stirling
Mr Fordham	Mrs Toner
Mr Ginifer	Mr Trezise
Mr Hockley	Dr Vaughan
Mr Jolly	Mr Walsh
Mr King	Mr Wilton
Mr Kirkwood	*Tellers:*
Mr Mathews	Mr Gavin
Mr Miller	Mr Rowe

NOES

Mr Austin	Mr McInnes
Mr Balfour	Mr McKellar
Mr Birrell	Mr Mackinnon
Mr Brown	Mr Maclellan
Mr Burgin	Mrs Patrick
Mrs Chambers	Mr Ramsay
Mr Coleman	Mr Reynolds
Mr Collins	Mr Richardson
Mr Crellin	Mr Skeggs
Mr Dixon	Mr Smith
Mr Dunstan	*(South Barwon)*
Mr Ebery	Mr Smith
Mr Evans	*(Warrnambool)*
(Gippsland East)	Mr Tanner
Mr Hann	Mr Templeton
Mr Hayes	Mr Trewin
Mr Jasper	Mr Weideman
Mr Jona	Mr Whiting
Mr Kennett	Mr Williams
Mr Lieberman	Mr Wood
Mr McArthur	*Tellers:*
Mr McCance	Mr Cox
Mr McClure	Mr McGrath

PAIRS

Mr Amos	Mr Borthwick
Mr Edmunds	Mr Hamer
Mr Wilkes	Mr Thompson

The clause was agreed to, as was clause 13.

Clause 14 (Appearance by counsel, &c.)

Mr RAMSAY (Minister of Labour and Industry)—I move:

Clause 14, line 32, omit "and" and insert "or".

This has the appearance of a minor change, omitting of the word "and" and inserting the word "or", but it deals with the appearances of counsel before the commission.

Clause 14(1) as drafted reads:

Any person or association appearing before the Commission may be represented by an employee of that person or a member or officer of that association or an association of which that person is a member but no person or association may be represented before the Commission by a barrister, by a solicitor, or by an agent appearing for fee or reward without the consent of the Commission and the other party or parties to the proceedings.

The way the clause stands, agreement is required of the commission and the other party or parties to the proceedings. The purpose of the amendment is to make it unnecessary to have the agreement of both the commission and the other party or parties before legal representation is permitted. As the clause is drawn, the consent of both parties is required. Experience in the Industrial Appeals Court has shown that the involvement of members of the legal profession has assisted the court and the parties to the proceedings to a great extent. This is particularly so in obtaining references to authorities, precedents and relevant points which otherwise may be overlooked by unskilled advocates.

This amendment was drawn after consideration of representations by lawyers and with the agreement of the Industrial Relations Advisory Committee. The amendment might look as though it contains a great degree of legalism, but I point out that the Industrial Relations Advisory Committee includes representatives of the Trades Hall Council, and they have all agreed to have legal repre-

sentation before the commission if the commission believes it is desirable, or if the parties appearing before the commission believe it is desirable.

Mr SIMMONDS (Reservoir)—I am indebted to the Minister for his explanation. It is an indication to the Committee that relatively simple amendments can have a substantial effect on legislation. The less legal involvement there is in these matters the better. Such involvement can take place only where there is a particular need, rather than a desire of any of the parties involved in the dispute to widen the ambit and the cost structure in settling the dispute. Too often, the legal representatives are the beneficiaries in disputes.

The amendment was agreed to.

Mr RAMSAY (Minister of Labour and Industry)—I move:

Clause 14, omit sub-clause (2) and insert—"(2) In this section "Commission" means the Commission in full session or a Commissioner sitting alone.".

Having regard to the easing of the restrictions on appearances by barristers, solicitors or agents as set out in this clause, there is now no need to make special provisions relating to representation of the Minister. However, there is need to define what "commission" means for the purposes of the section. The substituted sub-clause (2) puts the matter beyond doubt.

Mr SIMMONDS (Reservoir)—The amendment provides that the commission means the commission in full session or the commissioner sitting alone. The Minister did not make clear—and in reading the clause I have not picked up the point—whether the commission sitting in full session includes the deputy president.

Mr RAMSAY (Minister of Labour and Industry)—I refer the committee to clause 10(*b*) where this definition is shown:

The President and both Commissioners sitting together (hereafter in this Act referred to as "the Commission in full session").

The commission in full session is the president and two commissioners, and the deputy president will be able to take the place of the president in the event of the president's absence.

The amendment was agreed to, and the clause, as amended, was adopted.

Clause 15 (Commission to proceed informally)

Mr RAMSAY (Minister of Labour and Industry)—I move:

Clause 15, page 9, line 2, omit "President" and insert "Commission".

There is no reason why only the president should have power to seek further evidence or information. A commissioner sitting alone could need such additional evidence or information. Under the sub-clause as drawn, he could not obtain the additional information. The amendment enables the commission to exercise this function.

The amendment was agreed to, and the clause, as amended, was adopted.

Clause 16 (Appeal by associations to Commission in full session)

Mr RAMSAY (Minister of Labour and Industry)—I move:

Clause 16, lines 32-33, omit "(so far as it relates to wage rates or piecework prices)".

Under the clause as drawn, the commission, when determining an appeal, can backdate only that part of the award relating to wage rates or piecework rates. It is intended that the commission should be at liberty to backdate any part of the award, subject to the constraints otherwise imposed by clause 16(6). The amendment achieves that result.

The amendment was agreed to, and the clause, as amended, was adopted.

Clause 17 (Power to Minister to refer award to commission)

Mr RAMSAY (Minister of Labour and Industry)—I move:

Clause 17, line 26, omit "When" and insert "Notwithstanding the provisions of section 14(1) when".

This amendment is consequential to that made to clause 14(1), which eased the provisions relating to the appearance of advocates before the commission.

The amendment was agreed to, and the clause, as amended, was adopted, as were clauses 18 to 20.

Clause 21 (Power to Minister to request declaratory judgments)

Mr RAMSAY (Minister of Labour and Industry)—I move:

Clause 21, line 9, omit "or to advise the Minister thereon".

The reason for this amendment is that the direction to advise the Minister is superfluous. The commission will, as a matter of course, hand down its declaratory judgment, which will be available to the Minister as a matter of course, and to have it enshrined in the legislation appears unnecessary. I propose the omission of those words.

The amendment was agreed to, and the clause, as amended, was adopted.

Clause 22 (Appeal against convictions or orders of Magistrates Courts)

Mr RAMSAY (Minister of Labour and Industry)—I move:

Clause 22, lines 21-22, omit "149 or section 198(2) of the Labor and Industry Act 1958" and insert "63 or section 96".

The reason for this amendment is that the references in sub-clause (1) should be to what will become sections 63 and 96 of the Industrial Relations Act. The sections of the Labour and Industry Act currently mentioned in the clause have been transferred from the Labour and Industry Act by virtue of clause 2(1) and the schedule in the Bill.

The amendment was agreed to, as was a consequential amendment, and the clause, as amended, was adopted, as was clause 23.

Clause 24 was verbally amended, and, as amended, was adopted, as was clause 25.

Clause 26 (Number of members of boards)

Mr RAMSAY (Minister of Labour and Industry)—I move:

Clause 26, omit sub-clause (2).

Clause 26 is concerned with the numbers and compositions of the various conciliation and arbitration boards. This amendment is to omit sub-clause (2) which reads:

The number of members shall be four or six except in any case where the Minister recommends to the Governor in Council that a greater number is required, but in no case shall the number exceed ten.

Since the introduction of this Bill, there have been discussions with representatives of the tripartite committee, and it is considered appropriate that there should be a ceiling on the number of members of the board. It is considered inappropriate that the Minister should be involved in making such recommendations to the Governor in Council, or that the Governor in Council should be concerned with this matter. The Government believes the commission should be competent in its own right to determine the appropriate numbers to be on any particular wages board. It seemed unlikely that circumstances would be such that the number of members on any board should be in excess of ten members, plus the chairman. The Government is certainly prepared to leave this matter to the commission and I propose the omission of sub-clause (2) accordingly.

The amendment was agreed to, and the clause, as amended, was adopted.

The sitting was suspended at 6.15 *p.m. until* 8.4 *p.m.*

Clause 27 (Appointment of members of Boards No. 6283 s. 23)

Mr RAMSAY (Minister of Labour and Industry)—I move:

Clause 27, line 40, omit "Conciliation and Arbitration".

Clause 27, page 18, line 12, omit "or" (where second occurring) and insert "of".

Clause 27, page 19, line 6, omit "groups" and insert "group".

These amendments relate to three relatively minor matters. The words proposed to be omitted from line 40 are unnecessary. The second amendment makes a correction of a printing error. The third amendment makes a minor grammatical correction.

The amendments were agreed to, and the clause, as amended, was adopted.

Clause 28 (Term of office of members of Boards)

Mr RAMSAY (Minister of Labour and Industry)—I move:

Clause 28, page 20, line 3, after "Commission" insert "with the approval of the Minister".

When amending an earlier clause, the Minister's power of approval was removed. However, if a member of

the board is to be removed, it is appropriate that Ministerial approval should be required. It would seem to be desirable that there should be a degree of Ministerial oversight of the removal of a member of the board. This amendment is made at the request of the Industrial Relations Advisory Committee. The requirement for the commission to seek Ministerial consent to any such removal will protect the commission from any suggestion of bias and will give the aggrieved member of the board a greater degree of security as a disinterested person will be party to any such occurrence, in the event of such a situation arising. I trust that such occurrences will be rare, but provision must be made for them.

The amendment was agreed to, and the clause, as amended, was adopted, as were clauses 29 to 33.

Clause 34 (Powers of Boards)

Mr RAMSAY (Minister of Labour and Industry)—I move:

Clause 34, page 22, line 27, omit "traders" and insert "trades".

A minor printing error crept into clause 34 and this amendment is designed to correct that.

The amendment was agreed to.

Mr SIMMONDS (Reservoir)—Clause 34 sets out the functions of the board. It provides:

34(1) Every Board shall have power to make an award relating to any industrial matter whatsoever in relation to the trade or branch of a trade or group of trades for which that Board is appointed and in particular, without affecting the generality of the foregoing, to make an award determining all matters relating to—

(*a*) work and days and hours of work;

(*b*) pay, wages and reward;

(*c*) privileges, rights and duties of employers and employees;

(*d*) the mode, terms and conditions of employment or non-employment;

(*e*) the relations of employers and employees;

(*f*) industrial disputes;

(*g*) the employment or non-employment of persons of any particular age;

(*h*) the demarcation of functions and of any employees or class of employees;

(*j*) the issuing or giving out of any material whatsoever for the purpose of goods being wholly or partly manufactured outside a factory;

(*k*) questions of what is fair and right in relation to any industrial matter having regard to the interests of the persons immediately concerned and of society as a whole.

(2) Nothing in this Act shall enable a Board to determine any matter relating to the preferential employment or dismissal of persons as being or as not being members of any organization association or body or to fix lower piecework prices for persons under 21 years of age than those fixed for adults.

I do not propose any amendments, but it may be worth while for the Minister to look at the industrial legislation of South Australia which provides a clear opportunity for persons to take action against and to be protected from wrongful dismissal. There was a case where a shop steward employed by a motor industry employer was dismissed and subsequently, after litigation under State and Federal legislation, the strength of the South Australian legislation was incorporated in the judgment to the advantage of the employee. Given that the legislation of South Australia, Victoria and the Commonwealth is based on the proposition that employees in industry ought to belong to appropriate organizations, it encourages employers to be represented in organizations in the structure of the boards, and conciliation and arbitration is based on this concept. That provision of preferential employment in that sense has been a common practice in respect to various industries, not only in Victoria, but nationally. That ought to be seen as a right and responsibility and the Opposition believes this matter should be considered further when reviews take place and that that right and responsibility to be part of an organization which provides representation under industrial legislation ought to be extended to organized labour in Victoria, as it is in South Australia and nationally, and there ought to be provisions to protect that position. While the function of the board to make determinations to cover these fields of activity is laudable, such decisions are not always honoured. The problem is that they are sometimes more honoured in the breach than in the observance.

I draw the Minister's attention to an instance relating to agents and models. It is a situation which would not be unknown to the Ministry. I ask the Minister to go through the files to investigate the various complaints made in this area in the past. There are the fly-by-night schools and their agencies which adopt a simple form of approach. They approach a would-be model to contact one of these schools and then tell that person that he or she needs no experience to break in to modelling but that a series of photographs will be necessary. The school or agency almost always knows a photographer in its own building who will do these photographs cheaply. Once they are provided at varying fees —$10 seems to be the common fee, the upper range being between $80 and $100—the school or agency will find work for its protegee, or so it says. There is no guarantee of work. The agency provides a list of potential employers whom the model is then expected to canvas with a view to obtaining work. On the list there are usually names like Myer, Walton's, Sportsgirl, Buckleys and other well-known retailers. This practice is widely carried out and many people are being ripped off in this way.

The most pertinent point in respect to clause 3 (*a*) of the Models and Mannequins Determination, No. 1 of 1979, is that under-payments are common and exploitation by people acting as agents for models is occurring. A chain of responsibility is built up and the employer–employee relationship becomes lost in that chain. There was a recent case, for instance, where a model was employed for three days at a large department store in a suburban shopping complex. The work was mannequin work. It was found that the model was being paid less than the current determination. An approach to the department store elicited the information that it had not employed models for some time, that the models were booked out to a client—Pelaco Shirts, for example—and that the parades took place at the store, the models at the time of engagement having been told that the work was for the department store. The models were not at any time told that they had a relationship other than that of employer–employee with that company. That is one example where the provisions of the legislation are not being enforced and where the capacity to police the legislation is deficient because of the lack of appropriate legislation providing for the registration of agents and for bringing them within the scope of the proposed commission.

There are other examples which I could quote. For instance, a model was employed to do agency work for a large motor vehicle manufacturer. The promotion, photographic and live, was on contract or sub-contract, a point which was never clarified. Disagreements occurred with the result that, after the photographic work had been completed by a fifth party, the model was told that she was no longer required and was offered something like $500 less than she was entitled to. Where does the model or her organization—in this case, the Mannequins and Models Guild—go to obtain observance of the award conditions?

I hope the Minister will examine that situation.

Clause 23 provides that payment shall be made to the model within fourteen days but, for various reasons, this clause is not being honoured. It is a matter of slow payment. In some cases payment is after 30 days, in some cases 90 days, and on all days a 15 per cent commission is taken. There may be a delay of three months in payments: the commission is taken out beforehand and in the meantime the model has to exist without payment for the work performed.

There is a matter of misappropriated payment, which has a long history. One classic example occurred some years ago with the Georgia Gold Agency, which is now defunct. A group of models may be paid without an itemized list or any hope of claiming justice in accordance with the terms of the provision. Under-payment has also taken place for part-time work for freelance models, and partial payment and sometimes payment of half the amount the model is entitled to has also occurred.

On this basis I recommend that the Minister should incorporate in future legislation the registration of all modelling agencies and modelling schools to ensure that training is of a uniformly professional standard and at a reasonable cost. Where moneys are paid to an agent on a model's behalf, which is sometimes unavoidable, those moneys must be paid into a trust fund and from there to the model; such trust funds being subject to annual audit by the registering body. Further, the model and agency should be contractually bound to a rate for a specific job prior to work on that job commencing. Where work performed—obviously this refers to photographic work—is used for purposes other than the originally contracted job, a further rate should be negotiated by the agency on the model's behalf and this should be incorporated in the contract referred to in clause 3(i) (c). Disputes should be determined by the registering authority.

There are two final points. It shall be the agency's responsibility to ensure that a satisfactory employer-employee relationship exists, and failure to do so will render the agency liable as if it were the employer. Substantial bonding of all modelling schools and agencies should be held in trust by the registering authority to ensure the observance of that particular determination.

I quote those cases largely because they are of long standing. When I first entered Parliament I was presented with a list of some 300 names of models who had an enormous amount of money owing to them. I raised the question with various Ministers of Labour and Industry and was given an assurance that something would be done.

Mr Ross-Edwards—And you have been doing so consistently ever since.

Mr SIMMONDS—The only consistency is that nothing has been done. I suppose it is necessary to keep trying. The adage that constant dripping wears away the stone may have validity. In the days when I originally raised the matter this group of under-privileged people may have seemed to be on the fringe of the employment scene and in the Government's philosophy not entitled to coverage by legislation, but today when many young people and others are looking for diversity in employment, these fields are open for exploitation. The Government should be alert to the exploitation that is occurring. If the Government has any compassion it should pay attention to the exploitation of young girls, many of teen age, in this area. I shall be happy to arrange at any time a conference of representatives of these people with the Minister in the hope that four or five Ministers on in the future a solution might be found to the problem.

The Opposition acknowledges that clause 34 is wide-ranging. If one reads it, it will be obvious why. It is the heart of the measure. The Minister's problem is that he has to find a heart and in finding a heart he might find a solution to the problem I have indicated to him.

Mr SPYKER (Heatherton)—I refer to clause 34 (1) (*k*) which states:

> questions of what is fair and right in relation to any industrial matter having regard to the interests of the persons immediately concerned and of society as a whole.

I consider that industrial safety is neglected and could well come under the ambit of this clause. A seventeen-year-old boy working in a factory was injured on two occasions. On one occasion he suffered an eye injury. On another occasion his hair was caught in a machine and he later died. Obviously it was only through lack of knowledge or of interest shown by all parties concerned that this chain of events occurred. I raise this matter because it is important for all honorable members, and particularly for the Department of Labour and Industry, to take action to avoid these accidents. Also, the parents of minors should have some rights and be notified when these accidents happen. Under the Workers Compensation Act parents of minors have no rights because they do not depend on their children for income. However, in the case of major injury or death, parents should have the right to be advised. When the matter comes before the Coroners Court, they should be advised of when and where the accident happened.

I refer to a case in the Coroners Court in which the coroner ruled that the employer was guilty of neglect. The case came up at a later stage in the Cheltenham court and the employer was ultimately fined $200 plus $48 in costs. The parents were most upset and asked, "How do you replace a life?" and similar questions. These areas should be examined and covered, because at present there is a tendency for the Government to say that there are so many apprenticeships more than there were last year and the Government appears to be under pressure in that area. Consequently, the substance and nature of the work is not being looked at.

The Federal Government is supplying a subsidy to employers, and particularly in the first year of apprenticeship it contributes largely to salaries. An adequate training programme could be carried out by the Department of Labour and Industry so that many accidents could be avoided, particularly where safety precautions are not taken. When the Bill is reviewed in twelve months' time, these matters should be considered so that the number of accidents can be reduced and industrial safety improved.

Mr RAMSAY (Minister of Labour and Industry)—I respond briefly to the comments of the last two speakers. Industrial safety is extremely important. It is not the heart of the proposed legislation, but clearly—as the honorable member for Heatherton indicates—under clause 34(1) (*k*) industrial safety could well be the subject of discussion before a board, given the nature of these boards, and with the participation of both employers and employees. Undoubtedly a significant contribution could be made to industrial safety through these discussions. In fact, the fourth part of the work of the committee of review was concerned with industrial safety, health and welfare. The results of the committee's work will be enshrined in legislation in the not-too-distant future.

The honorable member for Reservoir canvassed a number of issues, perhaps a little more strongly than clause 34 deserved because the clause is setting down the responsibilities of the board. I shall be pleased to discuss the issue that the honorable member for Reservoir has raised at some other time.

Clause 34(2) relates to preferential employment or dismissal of persons as being or as not being members of any organization. We are maintaining the view in legislation in Victoria that preference for members of an organization will not be granted by Act of Parliament or by determinations by the board. The committee of review looked at this matter. It recommended unanimously that individuals and employers should be encouraged to be members of appropriate organizations, but that the membership of those organizations should be voluntary. To have voluntary membership, it is necessary to clearly spell out that there is no requirement to belong to an organization to achieve any right. Therefore, the Government followed the recommendation of the committee of review and under the provisions of this Bill people are not required to belong to an organization.

The clause, as amended, was agreed to.

Clause 35 was verbally amended, and, as amended, was adopted, as were clauses 36 and 37.

Clause 38 (Publication of awards)

Mr RAMSAY (Minister of Labour and Industry)—I move:

Clause 38, line 19, omit "Governor in Council" and insert "Commission".

This amendment overcomes the conflict with clause 23(1)(*c*). Under that clause the commission defines the area within which the award applies. In subclause (3) of the clause that power also is vested in the Governor in Council. This conflict was never intended and it seems more appropriate, where applications in a particular award are concerned, that they should be determined by the commission. The amendment will achieve this result.

The amendment was agreed to, and the clause, as amended, was adopted, as were clauses 39 to 43.

Clause 44 (Board to attempt to settle dispute by conciliation)

Mr RAMSAY (Minister of Labour and Industry)—I move:

Clause 44, page 27, line 14, omit "for determination".

The Minister may, either upon submission to him by any person or body or of his own motion, refer the matter of any industrial dispute to the Commission for determination.

These words are superfluous because sub-clause (6) provides—

The Minister may, either upon submission made to him by any person or body or of his own motion, refer the matter of any industrial dispute to the Commission for determination.

Clause 44 (6) gives the Minister the opportunity of referring a matter to the commission. Obviously it would be dealt with by the commission in any manner that it sees fit. This provision will bring into the Industrial Relations Act a similar provision to that which exists in section 45A of the Labour and Industry Act, under which the Minister is empowered to refer any determination to the Industrial Appeals Court.

It seems to the Government that to give the Minister this opportunity will maintain the greatest possible flexibility in the industrial relations system so that if a matter gets bogged down, and if the board finds itself unable to resolve a problem satisfactorily, there will be an avenue for referral by the Minister to the commission. I expect that this provision would be used in a similar manner only on those rare occasions where the system has otherwise failed to enable a satisfactory resolution of any problem to take place.

Mr SIMMONDS (Reservoir)—The proposed amendment will widen the power of the Minister in respect of referrals because it will enable referral to take place for any purpose, and will further compound the Opposition's objection to this clause.

The Labor Party believes that this clause introduces a question of Ministerial interference. Although the Minister may assure the Committee that this would be used only on rare occasions, the problem is that the people dealing with this legislation are not dealing with the Minister's statements. They are dealing with the proposition that the Minister may, either upon submission made to him by any person or body or of his own motion, refer the matter of any industrial dispute to the commission. If the words "for determination" are deleted, it will remove that restriction. The consequences of this will be that the Minister will have total power to intervene at any stage in the wages board hearing, even prior to the parties having met and investigated the areas of dispute and having the option of resolving it.

The Minister indicated that in future different guidelines or criteria could be imposed. A case going before a wages board could be interfered with and taken out of the control of the wages board by the Minister on any occasion. This would lead to a level of political interference in the day-to-day operations of the commission which will be intolerable.

The Bill empowers the Minister on his own motion or upon the submission of any person or body to "refer the matter of any industrial dispute to the commission for determination". We have had ample evidence of this in the past where previous Ministers have actually referred matters to the Industrial Appeals Court. On Tuesday, 22 October 1973, the then Minister of Labour and Industry referred to the Industrial Appeals Court for consideration and determination a matter which concerned the Federated Storemen and Packers Union. On that occasion the board was called together but the Minister was not there and the hearing was held up for three days while messengers were sent out to find him. After two days of searching the best advice that could be given was that the Minister was somewhere in the field, electioneering in Greensborough. That is what happens when Ministerial interference comes into the process of conciliation and arbitration.

The proposed amendment, if accepted, will worsen the position that exists under the present clause. The Opposition considers that this power is an unwar-

ranted political intrusion into the processes for the settlement of industrial disputes and the purposes for which the Bill was supposedly introduced.

There are two main reasons for this opposition. Firstly, such a wide power is completely inappropriate in the context of the new system proposed where considerable responsibility in relation to the working of the system has been given to an independent non-political tribunal, the Industrial Relations Commission. The Minister's power to refer matters to the commission will undermine completely the role of the commission with respect to references. To take one example, when a matter is before a conciliation and arbitration board, a party may follow either, or both of the following courses——

The CHAIRMAN (Mr A. T. Evans)—Order! For some time the honorable member has been going far beyond the terms of the proposed amendment. I ask him to relate his remarks more closely to the proposed amendment.

Mr SIMMONDS—My problem is in understanding where one finds the area, because this clause proposes to remove the words "for determination". The proposition is that the Minister may intervene at an appropriate stage, not only for a determination but for any purpose. I am simply explaining to the Committee the practical application of what the Minister proposes in this amendment. If that is out of order I will bow to your ruling, Mr Chairman, but it is applicable to the clause which the Committee is arguing. There is a great deal of concern about this clause in the trade union movement, and I hope to express that view to the Committee.

I was pointing out that if it is desired to have the matter referred to the commission for a reference, firstly, no indication of the criteria to be considered by the commission in determining such applications is given in the legislation. Even after an application to the commission has been refused, the party may approach the Minister to have the matter referred. Clearly any party which "has the ear" of the Minister will be in an extremely strong and unfair position with respect to having a matter referred. This is interference which is right outside the concept of conciliation between employer and employee with an independent chairman of the board. The Minister may apply different criteria from the commission in determining whether a matter should be referred, and may even override decisions of the commission with respect to applications for a reference.

There is no requirement on the Minister to do other than make decisions about referral, as I indicated, to the President of the Industrial Relations Commission. This is building into the system a relationship between the Minister and the President of the Industrial Relations Commission which could destroy the whole fabric of the legislation. If the Committee does not understand what we are doing on this occasion, perhaps we should adjourn to analyse what is taking place.

The extremely wide powers of the Minister to refer matters to the commission will allow the Minister to interfere in industrial matters for political purposes and without regard to the industrial relations consequences. The use of the powers will undermine the independent operation of the system and will tend to lower the confidence of unions and employers in the system.

The power of reference given by the Bill to the Minister is much wider than that of the Federal Minister for Industrial Relations under the Conciliation and Arbitration Act 1904. The Federal Minister, like the parties to an industrial dispute, has the power to apply to the Conciliation and Arbitration Commission to have a matter being dealt with by a single member of the commission referred to a Full Bench. The application will be granted only where the president of the commission is of the view that the matter "is of such importance that, in the public interest" it should be referred to a Full Bench. The legislation will give greater power to the President of the Industrial Arbitration Commission and the Minister, acting in concert, than is allowed in the Federal system, about

which there is a great deal of reservation. Viewed against the Federal legislation, the Victorian Minister's powers of reference may be seen as an unwarranted, unreasonable and unjustified political intrusion into the industrial dispute-settling machinery. That is the considered view, and it ought to be put and understood.

When the Minister introduced the measure, we took him at his word when he said that he was concerned to establish better industrial relations, but he has moved away from the decision being made between the three parties and injected the political philosophy of the Liberal Party into the proposed legislation, and that is when he gets into trouble. Our concern is for the practical application of the legislation. There is no guarantee that the honorable gentleman will be the Minister of Labour and Industry next month or next year, although, judging by the performance of his predecessor, he should be assured of a long tenure of office.

On the basis that the legislation can go nowhere but up from here, we have a confident expectation that there will be an improvement, but it must be based on application of logic, and if logic is applied, the Minister will withdraw his proposed amendment.

Mr WALSH (Albert Park)—I join with the honorable member for Reservoir in opposing this clause. My main opposition is to sub-clause (6).

The CHAIRMAN (Mr A. T. Evans)—Order! The Committee is debating the proposed amendment, not the clause.

Mr WALSH—The amendment, if adopted, will make the situation as bad as it was originally. The Opposition opposes the proposed amendment because it gives the Minister a great deal of scope and makes the Government a third party to any dispute that may occur.

When disputes occur, other avenues for solving them are provided in the clause. Power is given to the employers and the employees to notify the registrar that a dispute has arisen, and the registrar may refer to the president and the chairman of the board any matter affecting the area where the dispute has occurred.

However, if the proposed amendment is agreed to it will make the situation worse and industrial relations will break down. It will provide an opportunity for any Tom, Dick or Harry to get in touch with the Minister, who may on his own motion refer the dispute to the commission. It could be any kind of a dispute; it could be one where the employers or even the employees have decided to refer the dispute to the registrar.

The Opposition believes that if this proposed amendment is accepted it will only worsen industrial relations, and that is not what the Bill is all about. As we go into the 1980s it will be better if people can get together when industrial disputes occur, but if the Minister has the right to refer these disputes to the commission, that will be a setback, and that is where industrial relations will fall down.

The Opposition does not want that to happen because a great deal of work has gone into preparing the Bill; it wants it to work in the best interests of all areas.

Mr RAMSAY (Minister of Labour and Industry)—Judging by the comments of the last two speakers, I believe a misunderstanding has occurred about the proposed amendment. Quite clearly, if a matter is referred to the commission by the Minister, it comes under clause 11(1)(*e*), which provides that the commission in full session may hear and determine any industrial matter referred to it by the Minister under the principal Act. In other words, if a matter is referred to the commission by the Minister, and if the words "for determination" are removed from the clause, the commission may make up its own mind what it will do about the matter.

For instance, it may refer it back to a board for further consideration; it may not determine a matter in its own right. That is the sort of flexibility that I would have thought the Opposition would want the commission to maintain. To suggest that this proposal

is undermining the role of the commission is a complete misunderstanding of the way in which the commission will be operating.

The complete control of industrial relations within the State jurisdiction will be with the Industrial Relations Commission. The Minister will have the opportunity under certain circumstances of referring matters of any industrial dispute to the commission, but it is the commission which will make the final determination of what should happen after that.

The amendment was agreed to.

Mr SIMMONDS (Reservoir)—Speaking to the clause as amended and having listened to what the Minister had to say, I suggest that the best way in which to achieve what he sets out to achieve is to delete clause 44 (6). If the Minister wants the commission to perform its functions as an independent commission, there is ample ability within the proposed sections of the legislation for the implementation of all those things he refers to.

The procedures to be followed and adopted by the commission are set out in the measure and enable all those processes of conciliation and arbitration to take place, but the Minister is now injecting into the Bill, by retaining this sub-clause, a process which allows any party to a dispute to refer the matter to the commission for determination. There is also provision for Ministerial interference and no longer will the commission be able to claim that it is an independent commission. The commission can function only so long as the Minister allows it to function and, even then, there is further provision because, having injected "Big Brother" into playing a role in the functioning of the commission, there is the final decision which can be made by the president of the commission, and no one person should be put into that position.

By retaining this sub-clause the Minister is injecting into the measure an opportunity for the Minister, in conjunction with the president, to override all those laudable and worth-while objectives which are referred to throughout the measure. Even at this late stage the Minister should seriously consider dropping sub-clause (6) in the interests of achieving the objectives which he set out to achieve and which he mentioned during his second-reading speech.

Mr SPYKER (Heatherton)—Clause 44 (6) should be deleted as the purposes of the Bill will be defeated if it is retained. What is the purpose of having a Bill which contains the wages board structure in the form of a commission when sub-clause (6) provides power for the Minister to direct a dispute to the commission and then inform the commission how to deal with it? If the commission subsequently makes a decision, the Minister can also appeal against that decision. Again, what is the purpose of the sub-clause?

The reason why wages boards have functioned so effectively in Victoria is that they are composed of people who know their industry. Both the employee and employer representatives fall into that category. They deal with disputes and usually come to a decision which is to the satisfaction of all concerned.

However, if a State election was around the corner, purely for political purposes and for no other purpose, the Minister could interfere with that decision to create an industrial climate that is to his advantage prior to an election. That interference would be for political purposes and nothing else.

Another aspect which concerns me about sub-clause (6) is that in previous instances the Minister has shown that if he is not satisfied with a decision he will appeal against it, and that could happen under this sub-clause, which should be deleted because there is no purpose for it.

The Minister might indicate now that he would not interfere but, of course, Ministers come and go and another Minister with a different point of view could throw the whole structure of the commission out the door.

The Committee divided on the clause, as amended (Mr A. T. Evans in the chair).

Ayes	43
Noes	29
Majority for the clause, as amended	14

AYES

Mr Austin	Mr McKellar
Mr Balfour	Mr Mackinnon
Mr Birrell	Mr Maclellan
Mr Brown	Mrs Patrick
Mr Burgin	Mr Ramsay
Mrs Chambers	Mr Reynolds
Mr Coleman	Mr Richardson
Mr Collins	Mr Ross-Edwards
Mr Crellin	Mr Skeggs
Mr Dixon	Mr Smith (*South Barwon*)
Mr Dunstan	Mr Smith (*Warrnambool*)
Mr Evans (*Gippsland East*)	Mr Tanner
Mr Hann	Mr Templeton
Mr Hayes	Mr Trewin
Mr Jasper	Mr Weideman
Mr Jona	Mr Whiting
Mr Kennett	Mr Williams
Mr Lieberman	Mr Wood
Mr McArthur	
Mr McCance	
Mr McClure	*Tellers:*
Mr McGrath	Mr Cox
Mr McInnes	Mr Ebery

NOES

Mr Cain	Mr Roper
Mr Cathie	Mr Rowe
Dr Coghill	Mr Sidiropoulos
Mr Crabb	Mr Simmonds
Mr Culpin	Mr Simpson
Mr Fogarty	Mr Spyker
Mr Fordham	Mr Stirling
Mr Ginifer	Mrs Toner
Mr Hockley	Mr Trezise
Mr Jolly	Dr Vaughan
Mr King	Mr Walsh
Mr Kirkwood	Mr Wilton
Mr Mathews	*Tellers:*
Mr Miller	Mr Ernst
Mr Remington	Mr Gavin

PAIRS

Mr Borthwick	Mr Amos
Mr Hamer	Mr Wilkes
Mr Thompson	Mr Edmunds

Clause 45 (Effect of awards with respect to Christmas Day, Boxing Day and New Year's Day)

Mr SIMMONDS (Reservoir)—Clause 45 makes provision for Monday and Tuesday to be holidays when Christmas Day and Boxing Day fall on a Saturday and Sunday and also provides the same position in respect of New Year's Day if it falls on a Saturday or Sunday.

I draw to the attention of the Minister the discrimination which is contained in this clause where it is good enough to have an alternative holiday for New Year's Day but not good enough to have an alternative holiday for Anzac Day. The principle of Anzac Day being celebrated on a Monday is almost universally accepted. Anzac Day is a day of some significance to the community of this State, as it is in other States, and the provision is made in other States for a holiday to be held on a working day when Anzac Day falls on a Saturday or Sunday.

The principle is acknowledged in this State by provision being made for alternative holidays when Christmas Day, Boxing Day and New Year's Day fall on a Saturday or Sunday, and I reiterate that when Anzac Day falls on a Saturday or Sunday a simliar provision should apply. A similar provision should be included in this clause when future amendments to the legislation are being examined.

The clause was agreed to, as was clause 46.

Clause 47 (Making of industrial agreements)

Mr RAMSAY (Minister of Labour and Industry)—I move:

Clause 47, line 13, omit "shall forthwith" and insert "may".

Clause 47, line 14, after "registrar" insert "if the parties agree".

Clause 47, lines 16–17, omit "of its own motion and without a hearing".

The first two amendments are necessary in order to give a degree of flexibility to the registration of industrial agreements. As the clause is drawn, it requires every industrial agreement, upon its making, to be filed with the commission's registrar. The proposed amendments remove that mandatory requirement for such filing and leave the situation that, if the parties to be an industrial agreement wish to file it, they may do so.

It seems an unnecessary obligation. If the parties to the agreement do not wish to file it, they should not be obliged to do so and I commend the amendments accordingly.

The third amendment to the clause provides for the omission of the words "of its own motion and without a hearing" in sub-clause (3). The amendment simply provides that the registrar shall refer to the commission every agreement so filed and the commission may approve any such agreement, without the need to have a hearing before coming to a decision, rather than having a suggestion in the legislation which would make it appear that the commission could not hear the details of the agreement even if it wanted to. I commend that amendment to the Committee.

Mr SIMMONDS (Reservoir)—For the reasons indicated by the Minister, the Labor Party supports the amendments which were circulated prior to the discussion. They will provide the commission with more independence and remove the necessity to register preference of union clauses. Both employers and employees in industry have acknowledged that position in many agreements and it is a common practicality in industrial relations.

The amendments were agreed to, and the clause, as amended was adopted, as were clauses 48 and 49.

Clause 50 (Persons bound by agreement)

Mr RAMSAY (Minister of Labour and Industry)—I move:

Clause 50, line 29, omit "filed" and insert "registered".

The amendment is consequential upon earlier amendments. It is no longer obligatory for an agreement to be filed and the parties to be bound under clause 50 should be bound to an agreement duly registered under clause 48.

The amendment was agreed to, and the clause, as amended, was adopted, as were clauses 51 to 62.

Clause 63 (Recovery of holiday pay)

Mr RAMSAY (Minister of Labour and Industry)—I move:

Clause 63, insert the following sub-clause to follow sub-clause (2)—

"( ) From any determination or order of a court under this section an appeal shall lie to the Commission in Court session which shall have exclusive jurisdiction to hear and determine every such appeal.".

There is a need for an appeal provision in the clause dealing with annual holidays. A similar appeal provision exists in a later clause relating to long service leave. It would be appropriate that an appeal under this clause should be similar to that in the long service leave provision because it is an appeal to the commission in full session.

The amendment was agreed to, and the clause, as amended, was adopted, as was clause 64.

Clause 65 (Continuity of employment)

Mr RAMSAY (Minister of Labour and Industry)—I move:

Clause 65, line 21, omit "a" and insert "her".

The clause deals with breaks in employment and continuity of employment and the provision reads:

For the purposes of this section "employment", whether before or after the commencement of this Act, shall be deemed to be continuous, notwithstanding any absence from work of a woman for a period not exceeding 12 months in respect of pregnancy.

The intention of the clause is that it should refer to the pregnancy of the woman herself rather than any pregnancy. One could find a person taking advantage of the clause and being absent from work to look after some friend or neighbour during her confinement. The amendment is purely to put the matter beyond doubt.

Mr SIMMONDS (Reservoir)—I congratulate the Minister on his ability to determine all circumstances in which somebody might get out of the provision something to which she is entitled.

The amendment was agreed to, as was a verbal amendment, and the clause, as amended, was adopted, as were clauses 66 to 72.

Clause 73 (Appropriate Magistrates' Court)

Mr RAMSAY (Minister of Labour and Industry)—I move:

Clause 73, line 36, after "Commission" insert "in Court session".

The amendment makes it clear that appeals are to be heard by the commission in court session, that is, by the President sitting alone.

The amendment was agreed to, and the clause, as amended, was adopted, as were clauses 74 to 76.

Clause 77 (Employers to keep records)

Mr RAMSAY (Minister of Labour and Industry)—I move:

Clause 77, lines 24-25, omit "or to the effect of the form and containing the particulars prescribed" and insert "the form approved by the registrar and containing such particulars as are required by the Commission".

It is not the Government's intention to reduce the form and content of the long service leave record. A similar record to be kept in respect to holidays is required by clause 62 to be approved by the registrar to contain such particulars as are required by the commission. This is a simple, easy procedure and allows both employers and the commission to discuss any matter. Accordingly, the amendment follows the wording of clause 62.

The amendment was agreed to, and the clause, as amended, was adopted, as were clauses 78 to 80.

Clause 81 (Time-book for employees)

Mr RAMSAY (Minister of Labour and Industry)—I move:

Clause 81, line 31, omit "the" and insert "a".

The use of the indefinite "a" gives the registrar some discretion in approving forms of time books or other time records in individual cases. It would lead to more efficiency in the matter.

The amendment was agreed to, and the clause, as amended, was adopted.

Clause 82 was verbally amended, and, as amended, was adopted, as was clause 83.

Clause 84 (Children not to be employed)

Mr RAMSAY (Minister of Labour and Industry)—I invite the Committee to vote against this clause. It was intended that the matters contained in the clause should remain in the Labour and Industry Act as section 130 of that Act and the schedule to the Bill indicates that intention. The clause has been printed in error and I suggest its deletion.

The clause was negatived.

Clause 85 (Aged infirm or slow workers)

Mr RAMSAY (Minister of Labour and Industry)—I invite the Committee to vote against this clause. It was also intended that the matters contained in the clause should remain in the Labour and Industry Act. They are covered by section 135 of the Act and again, the schedule to the Bill indicates the Government's intention in this regard.

The clause was negatived.

Clause 86 was consequently amended, and, as amended, was adopted, as were clauses 87 to 95.

Clause 96 (Recovery of award rates)

Mr RAMSAY (Minister of Labour and Industry)—I move:

Clause 96, page 51, line 4, after "agreement" insert "which applies to the work on which the employee was engaged".

It is necessary to qualify an award or agreement as the award or agreement which is applicable to the work on which the employee was engaged in the context of the clause where the employee has taken court proceedings to recover moneys due from an employer. The amendment will make it quite clear to the court what yardstick it is to use in determining the claim.

The amendment was agreed to, and the clause, as amended, was adopted, as was clause 97.

Clause 98 (Penalty for breach of award)

Mr RAMSAY (Minister of Labour and Industry)—I move:

Clause 98, line 22, omit "or agreement".

Clause 98, line 34, omit "or agreement".

Following the amendments made to clause 96 in relation to industrial agreements, it is not now proposed to bring contravention of the terms of such agreements within the scope of the events provision contained in the clause. These deletions will correct that situation.

Mr SIMMONDS (Reservoir)—In respect to the previous decision to delete clause 85, which covered aged and infirm workers, will this clause, as it stands, be relevant to the continuation of the Act? The Government has already indicated that the provision is to be deleted from the field of industrial relations and maintained in the Labour and Industry Act.

Mr RAMSAY (Minister of Labour and Industry)—No amendment is required to clause 98 other than the deletion of the words "or agreement" in lines 22 and 34.

The amendments were agreed to, and the clause, as amended, was adopted, as were clauses 99 to 102.

Clause 103 was verbally amended, and, as amended, was adopted.

Clause 104 was verbally amended, and, as amended, was adopted, as was the remaining clause and the schedule.

The Bill was reported to the House, with amendments, and passed through its remaining stages.

VICTORIAN GOVERNMENT TRAVEL AUTHORITY (RECONSTITUTION) BILL

This Bill was returned from the Council with a message relating to amendments.

It was ordered that the message be taken into consideration next day.

PRESBYTERIAN TRUSTS BILL

This Bill was received from the Council and, on the motion of Mr MACLELLAN (Minister of Transport), was read a first time.

PRESBYTERIAN SCHOOLS BILL

This Bill was received from the Council and, on the motion of Mr MACLELLAN (Minister of Transport), was read a first time.

PERSONAL EXPLANATION

Mr DIXON (Minister of Housing)—I wish to make a personal explanation to the House. This morning the honorable member for Brunswick asked the following question:

> I direct my question clearly to the Minister of Housing. Has the Minister sighted the report by Mr Allwinton, the Chairman of the Housing Commission, on the Carlton land transaction with Mr Silberg? If so, will the Minister make the report available to honorable members and can he give the House an outline of Mr Allwinton's comments?

To which I replied:

> I do not know of any report to which the honorable member is referring.

In fact, there was and is no such report made by Mr Allwinton, as confirmed by my subsequent telephone conversation with him this afternoon. Mr Allwinton, in company with other senior Housing Commission officers, did conduct an investigation into the transaction and informed the then Minister, Mr Hayes, and the media of the result of that investigation. But there was no report by Mr Allwinton. I can only imagine that the honorable member for Brunswick has confused the situation with another which did produce a report.

Yet the honorable member saw fit to issue a press statement misinterpreting my answer and attacking me on completely spurious and unfounded assumptions. That is, he asked for a particular report which does not exist and then attacked me for my so-called lack of knowledge of it. In fact, there is a report of which I had full knowledge and which prompted my referral of the transaction to the police. It was made by Mr Jock McCauley, the then permanent head of the Housing Ministry and Secretary of Housing. Honorable members will recall that I referred briefly to the subject of that report as a serious matter in my speech to the House yesterday, and I gave the report to the police on 26 July 1979.

The honorable member for Brunswick has subsequently misrepresented my position, as this statement of mine shows, and accused me of an appalling lack of knowledge about my department. I wish the honorable member for Brunswick would get his facts straight in the first place before issuing a misleading statement.

TOWN AND COUNTRY PLANNING (GENERAL AMENDMENT) BILL

The debate (adjourned from October 18) on the motion of Mr Lieberman

(Minister for Planning) for the second reading of this Bill was resumed.

Mr CAIN (Bundoora)—This is essentially a Committee Bill. There are, however, a few matters that I would like to mention briefly during the second-reading debate. The first point that should be made is that this Act, contributed to by this Bill, has become a complex and technical Act which is confusing generally to many people. It could be described as a minefield for the uninitiated, and how many people who are urged to seek and take part in the planning process can be expected to find their way through it and be properly informed, I do not know. I am delighted to note that the Minister suggests in his second-reading speech that there is to be an overhaul. The honorable gentleman refers to an updating and simplification of the Act. I believe that cannot come too soon.

The Act is largely a scissors and paste job, which explains many of the difficulties in following the complex sections; it has really become a lawyer's paradise, I am unhappy to say. It is dangerous in the hands of some bureaucrats and incomprehensible in the hands of most ordinary people.

When I said, "A lawyer's paradise", I was referring to the fact that I am concerned that what has happened with this Act is what happens in many measures of this kind where there is much complexity. There has arisen—I do not use these words offensively—a group of lawyers who practice in this field and who have become expert in it and the situation has arisen of: He who can pay gets the best advice. Inevitably that leads to a situation where the company which is well supported financially enjoys a considerable advantage over the ordinary citizens in any contest which arises under the provisions of the Act. It has become a nightmare for the ordinary citizen to find his way through it.

If one looks at the present Act without looking at the Bill, one finds many sentences twelve and fifteen lines long with three or four relative clauses and a number of exceptions and provisos. It is a horrendous exercise to try and comprehend what is intended in some regards. It is a bad example of the intention to seek to use simple language in these Acts in the future; in fact, this Act does the reverse.

Secondly, I wish to refer to the prime policy change in the Bill, to introduce the notion of local development schemes. Members of the Opposition do not offer any opposition to the philosophy of this but we believe, and I will be moving amendments to this effect, that those schemes when adopted ought to have incorporated in them planning provisions applying in a given area and there ought to be provision to expand the local development notion into non-metropolitan areas.

The third matter about which I wish to speak is the reference in the Minister's second-reading speech to the strategies for metropolitan Melbourne. The honorable gentleman referred briefly on pages 4 and 5 of his speech to the recent alternative strategies document produced by the Melbourne and Metropolitan Board of Works. He referred to the options mentioned of dispersed growth, centralized growth, suburbanized growth and incremental growth.

I am not an admirer of the report by the Board of Works on "Alternative Strategies for Metropolitan Melbourne". In substance, I reject the line taken by the board and the process of reasoning by which it arrived at the adoption of what I see as the new word—"incremental".

That document is perhaps a good example of the pervading sense of caution and timidity shown by the board in this area. The report states, *inter alia:*

> . . . in any attempt to influence the urban structure of a metropolis like Melbourne, it would take a long time to secure any significant change and that any such change could only be incremental.

What concerns me is that this type of stance seems to be evidence of a desire not to take firm radical action that might lead to the change of the kind advocated in the board's report "The Challenge of Change". Surely the dominance of urban growth and the process that it generates, whether land development or population changes, growth or migration

over a given urban area, are very rapid in their occurrence and have great impact on so many other areas of activity. Perhaps this timid approach explains most clearly the board's response to the underlying attitude of the Government which controls it.

The stance one takes on the need, scale and type of change will depend entirely on the conception one has of urban problems and whether there is any need for urgent action in respect of those problems. The way the board has expressed this incremental change notion leads to a view that it sees no need to come to terms very quickly with anything that is perceived to be a major problem. Put another way, if problems are not viewed as serious then one is more likely to down-play the scale or the type of action one proposes to take in respect of those problems.

The Opposition believes if one is concerned about the years ahead then one ought to be expressing forthright views and remedies about the already present problems, such as the people's access to public transport; the severe isolation of people, especially in outer suburban housing estates; the tremendous wastage of energy because people commute between their job and home; the desperate shortage of appropriate and adequate community facilities and services, and lastly, a matter frequently mentioned by the honorable member for Carrum, the desperate situation of large numbers of homeless people or people who are required to live in inadequate homes in Melbourne. I would like to say more but I do not wish to labour the point any further.

I shall say something about another matter of philosophical importance which was mentioned by the Minister in his second-reading speech with regard to negotiated planning. The Minister referred to planning schemes, and negotiated agreements entered into between the responsible authorities and the applicants, and stated that it is proper that such negotiations be put on exhibition for public examination.

That is very important. I commend that philosophy and believe it should be supported by all parties. It is necessary to consider why this occurs. We should ask ourselves why developers offer inducements to responsible authorities by providing some facilities in exchange for some planning requirement.

One arrives at the answer that the developer proposes to put land to a use that will increase its value and he believes as a result he will enjoy a capital gain that will more than pay for the cost of the inducement or the community facility he offers. Negotiated planning will occur because there is a windfall to the landowner consequent upon the use he proposes, whatever he perceives that to be.

It is recognized in the community, and I think the Minister referred to it in his speech, that there is a right vested in the community to at least capture part, if not all, of the gain that applies to the land consequent upon the change of use. The Minister says that as a community we ought to share in that gain in the form of some community benefit. It can well be argued that if a system existed where the whole of the windfall gain were captured by the community we would all be better off, but it does not work that way and we are the poorer for it.

It can also be argued that it would probably be better if the developer were to give, in money terms, the amount he was prepared to negotiate as being the value of the community benefit he would bestow so that the best possible use could be made of the largess. The facility that is provided may not be the best the community can receive having regard to what has taken place. It may not be the best location or the most desirable facility or one that would best serve the community. The type of facility offered should be officially examined and the alternative of money in lieu should be examined.

The fact that the Minister proposes to make these matters public is to be commended, but one would hope they would be made public before they become a *fait accompli* so that there can be a community contribution to the form it should take. As a corollary of what the Minister puts, all inducement or offers made by developers should be

made openly and there should be adequate opportunity for the community and local interested groups to make an informed assessment of them. The Minister's proposal offers that opportunity. What I am saying is to some extent articulated in the BADAC report at point 2.109 which is worthy of study by honorable members.

The last matter I shall refer to is the flagging of interest by the honorable member for Morwell, who cannot be here tonight, and what he sees as philosophical and policy matters contained in Part IIID. of the amending Bill —Mineral Fuel Resource Areas—section 59F. The honorable member for Morwell has expressed concern about how it is proposed that those things will occur, so far as declaration is concerned.

I understand there is general apprehension in the Latrobe Valley about the way it is done and what is perceived as being a lack of consultation contemplated in the provisions of the Bill. Certain areas were excluded from what is euphemistically called the Brown Coal IDO—the whole township of Tyers, part of Traralgon and the City of Morwell, a large proportion of Maryvale—at least that portion on which the Australian Paper Mill factory is situated—and the whole of Churchill. Those areas have been excluded from the interim development order as areas that have industrial or residential use at present.

What concerns a number of people in the Latrobe Valley is that Part IIIc. requires a change in the local scheme to conform with orders under section 39F of Part III. and there is apprenhension that it will appear as if the local body is imposing these controls. It is proposed to proceed with this Bill to a point that will enable the honorable member for Morwell to make a contribution at a later stage.

Those are the only remarks I wish to make in regard to the second-reading debate except to thank the Minister for Planning for the opportunity of discussing with him, for more than one hour, a number of amendments to be moved by the Government and the Opposition. Although agreement was not reached on some matters, it was certainly useful to exchange views about the technical provisions in the Bill which will be the subject of, I am unhappy to say, a long Committee debate. I appreciate the opportunity and the time given to me by the Minister with officers of his department to discuss this matter. It has benefited us and also the people who try to administer the Act.

Mr McINNES (Gippsland South)—The honorable member for Bundoora commented that this is another complex Bill since planning became popular and the original Act was introduced in 1961. It is well on its way to being one of the most substantial Acts, in size, in the legislative armory. It is a misunderstood Act and raises apprehension amongst people, at first in the Westernport planning area and now in the Latrobe Valley area, in the cities of Traralgon and Morwell, and the fringe areas affected by the Bill.

It is not completely clear as to whether the amending Act will rectify many of the problems of people in that area. There is no doubt that planning measures are having a most adverse affect in certain areas and that recent auctions of land in the Latrobe Valley, excluding the Maryvale area, highlighted the problems of other landholders endeavouring to sell land under the interim development order exemplify the damage that can be caused. I was told of one subdivision where it was impossible to get even one bid but in a comparative subdivision in the Maryvale area that was excluded from the interim development order the land was sold at a substantial price. When these areas are only miles apart it highlights to the people concerned that they are suffering from the heavy impediment of planning.

The question of compensation, which is touched on in this Bill, is still not satisfying landholders in the central Gippsland area. The situation is that a family may acquire land for subsequent sale within the family or as an asset to the family when the person who bought the land dies, and if they are inflicted with this type of planning they may well find it is of little use to them because they cannot sell the land or borrow on it. Banks openly say that

there is no demand for the land and they will not give finance to anyone to purchase it and it generally becomes a millstone around their necks.

There are a number of cases of hardship, and some of these people attended the hardship hearing which the Minister arranged. Regrettably, they are still not satisfied, and it is not entirely clear whether this amending Bill will go part of the way towards solving that problem.

The fuel resource areas referred to in the Bill deal dramatically with the area I am speaking about. It contains the largest reserves of brown coal—and I think it is planning amendment No. 9—for the next 30 years. There is a clear picture of what happened there. But the people outside the area are concerned about the coal being developed for fuel. Every day Victoria is moving closer to the practical application of this technology, both economically and in the technical know-how. This is casting a whim of apprehension over a wide area, both central Gippsland and south Gippsland.

My electorate extends to the Shire of Alberton and includes the Gelliondale coal deposits that are being used for conversion to petroleum products. It will concern people over a large area of Gippsland. It is not a happy situation for people who have a family home there, have grown up in the area, and their families are around them following various vocations in life, that suddenly a large quarry appears in the area. One has only to travel through Gippsland to see how rapidly that quarry is increasing in size and the enormous chunks that have been taken out of the ground. Although it leads to prosperity in the short term, in due course it will create an area of desolation unless some method is found of beautifying the area and regenerating, as it were, an area suitable for urban development.

The Bill does contain some positive aspects. It is designed, as the Minister has said, to remove the Caesar unto Caesar approach of objections against the authority's own proposals. That is true, and that message has come through from time to time. The right of objection, when planning schemes are exhibited, has now been changed to enable submissions to be made. This is good, because it will bring to bear the views of the responsible authorities and organizations that may change the proposed planning without knocking the over-all proposal, as it were.

The Bill seems to transfer some of the accountability for the over-all scheme to local authorities. Within that over-all scheme, the councils, or whoever will be the responsible authority for issuing permits, will have to conform with the scheme. While the ultimate aim is to get a one stop shop situation, as the Minister described it, to reduce this multiplicity of permit gathering, it will also mean that the council will bear the brunt of objections, and to some extent will take away the odium from the main authorities. No doubt at local level many of these problems can be arrested with better communication, but it will be necessary to assist councils to ensure they are able to cope satisfactorily.

It is mainly a Committee Bill, and I understand a number of amendments will be moved. It is very difficult when large numbers of amendments are introduced, as has happened with other Bills, to decide whether the amendment is significant or minor. More time is needed to analyse the over-all effects of amendments.

The National Party offers no objection to the general thrust of the Bill. If it goes part of the way towards making town planning more acceptable, it has our support.

Dr COGHILL (Werribee)—As the two previous speakers pointed out, this is an extremely complex Bill and debate on its provisions will be more appropriate in the Committee stage. The honorable member for Bundoora, the shadow Minister for Planning, made some reference to the Board of Works report on "Alternative Strategies for Metropolitan Melbourne". It is interesting that when explaining the Bill the Minister commented that he expected to be able to make a statement on the matter before the end

of this sessional period. It is unfortunate that while we are debating this important Bill so close to the end of this sessional period, the Minister's statement on the Board of Works report is not available to be considered in the context of the measure.

The honorable member for Bundoora spoke about the report and what it purports to report. In some ways, it is like an evasion of the board's moral responsibility, if not the very letter of the law on its planning responsibility. It is easy to see how the board is able to get away with this. It is so much easier when the Liberal Party is riddled by faction fights over planning issues. Anyone who has followed Victorian politics in recent years will be painfully aware of the faction fights that riddle the Liberal Party on whether there should be stronger planning provisions or no planning controls whatever.

It is particularly significant that the Premier nominated the present Minister as the Minister for Planning, because the present Minister's performance in this area is well known. His performance is compatible with the Premier's own view on planning matters. The consequence of the division in the Liberal Party has been the very wishy-washy approach to planning. It has led to contradictory policies and these have been cited in the Board of Works report. On page 4 of the report, the board refers to the 1974 statement on basic planning strategy for the State. It states that the Government's basic planning strategy for the State, as summarized in that 1974 statement is:

> An emphasis upon decentralization, but with continued provision for the many people who desire to continue to live or settle in the Port Phillip district;

In that very first point there are internal contradictions of massive proportions:

> the curtailment of urban sprawl;

Again, contradictory to the first point:

> the rechannelling of growth to the north and west of Melbourne in preference to the south and east so far as is practicable;
>
> the protection of areas of environmental and recreational significance; and
>
> the preservation or creation of an urban and social environment in which it is pleasurable to live and work and possible to provide for the needs of the whole family unit.

In the performance of the Victorian Government since 1974, when that statement was issued, there is precious little evidence that that has been implemented. On the first point, there has been continued high level of growth in the metropolitan area, although there has been a greater level of growth in country areas than previously.

The urban sprawl, that is generally referred to as the metropolitan area, has continued largely unabated and the channelling of growth has been the greatest certainly in the western area, but there have been high rates of growth in other outer metropolitan areas. Again, the Government has not consciously attempted to bring to full fruition the poicy of curtailing the urban sprawl.

The final point refers to the preservation or creation of an urban and social environment in which it is pleasurable to live. In the metropolitan area, particularly in the western suburbs where I live, that clearly has not happened. The economy of the area has been in a continuing decline for some years. I have constantly brought those matters to the attention of the House and the Minister. I will not repeat them, but the Government has not yet acted significantly upon them. The Government has had the opportunity to coordinate its stated planning policy with its other policies, but again, this coordination, which is so important, has not occurred.

One can look simply at the location of Public Service positions. I raised this matter earlier this week in a debate and I make the point again that there has not been a redistribution of Public Service positions away from the central business district into areas where people live. If the Government were concerned about the final point I quoted, it would have taken strong and decisive action to ensure that this strategy was achieved.

I give one example. The Grain Elevators Board is concerned with grain storage, distribution and shipping facilities in Victoria. It has not a lot of responsibility in the metropolitan area, yet it has just opened a new head office in Lonsdale Street in the city. That one example clearly indicates that the Government has failed to carry out its policy.

The Premier today gave me an answer to question on notice No. 1403, that I have previously quoted. He indicated that a small number of specified agencies had increased their non-metropolitan staffing, but it was significant that none was cited as having decentralized staff positions out of the central business district or out of the metropolitan area generally.

Clearly there has not been co-ordination of stated planning policies with other aspects of Government administration. The consequences have been, particularly in the western suburbs where there is a gross imbalance of employment, a declining economic base and a major need to expand the range of employment, the number of jobs that are available and, in the short term, to provide much better social support for the people whose lives are being severely disrupted by the present decline in the economy. In Melton, one of the major areas of the western suburbs and one of the designated satellite cities, that has also, unfortunately, been true. The Government made an announcement in 1974 that Melton would be developed as a satellite city but it has taken until the 1979-80 Budget for the Government to make a significant contribution of funds to the project and, as yet, the committee of management has not seen the funds.

Mr BROWN (Westernport)—I raise a point of order. The honorable member is not relating his remarks to the Bill or the motion before the House.

The SPEAKER (the Hon. S. J. Plowman)—Order! I do not uphold the point of order. The honorable member for Werribee is discussing matters encompassed by the Bill and the second-reading speech of the Minister.

Dr COGHILL (Werribee)—Had I not been interrupted I would have finished by now. I repeat that the Government has the opportunity and the obligation to implement its planning policies through the Town and Country Planning Board and, particularly, through the Melbourne and Metropolitan Board of Works. Having read the report on the alternative strategies for metropolitan Melbourne, it is clear the Government is not implementing its stated policies and is certainly not directing the Board of Works to follow Government planning policies.

I urge the Minister to immediately take up with the Board of Works the importance of its following Government policy to the letter rather than continuing to evade its responsibilities to the people who constitute its ratepayers.

Mr KIRKWOOD (Preston)—Those honorable members who have been associated with local government will realize that the Bill will establish a combined board of appeal to replace the Town Planning Appeals Tribunal, the arbitrator under the Local Government Act and the Environment Protection Appeal Board. It may well be that the appeals boards should remain independent to allow specialists to decide particular matters. If the Town and Country Planning Act is amended to alter the role and direction of the Town Planning Appeals Tribunal, it may be decided that the tribunal should not exist. I say that because at present the final decisions are made by lawyers and that should perhaps be changed. I have had this view for quite a long time because it seems to me that sometimes the commonsense, not the legal, view should prevail when a decision has to be made.

The Board of Works is now considering the full delegation of powers to local authorities and all honorable members would understand these matters. We all believe, and most of us would have been pushing for it for years, that municipalities should have these full powers so that, with the introduction of local development plans, the local authorities would have control over developments within their own areas.

In the area I represent municipalities have for years been claiming that they would like to be able to develop their own areas and if they had had the power the development of the industrial suburbs of Preston, Northcote and Coburg would have been really successful. It is still not too late. A lot of the councils should be making appeals in the near future under provisions of the Bill now before the House.

The Bill provides for four alternatives to the strategy for metropolitan Melbourne. However, the stages of implementation of the alternatives on a metropolitan basis are not provided for, as I understand it. When one considers what is happening with regionalization, suburbanization and the other growth patterns, one wonders about the over-all concept.

The Bill provides that when a scheme proposes to change the purposes for which land or buildings may be used, persons appearing from rate records to be the owners or occupiers are to be individually notified unless the Minister exempts the responsible authority from that requirement. I do not believe the Minister should be able to exempt any authority from that requirement. If the Minister does not want the authorities to do what they should do, the Bill should spell that out. The Minister cannot have two bob each way. It should be one thing or the other. If I were to be affected by a change, I would want to put in my tuppence worth, especially if the change is likely to affect my residental standard. In that case I should be notified and, regardless of the cost to the authority, my rights should be backed by Parliament and by all honorable members.

The Bill also provides that a panel will hear all objections to an amendment to a planning scheme. In theory that approach is marvellous and it is quite good in practice, but what will happen in extreme cases? If 4000 people object to a particular planning scheme, how long will it take to listen to all of them and what will be the cost involved? Although it is necessary for objections to be heard, the process is time consuming and perhaps that matter should be re-examined. It does not seem to me to fit in well with the different aspects of local government, both in connection with the Melbourne and Metropolitan Board of Works and a municipality that wishes to put up its own plan.

However, one must consider the whole Bill and in the main it is a step forward. Nonetheless, I point out that there are a few traps for the unwary and a few costs which the community, if it knew too much about them, would not like.

The motion was agreed to.

The Bill was read a second time, and it was ordered that it be committed later this day.

Mr CAIN (Bundoora)—I move:

That it be an instruction to the Committee that they have power to consider new clauses to provide—(*a*) in the event of a change in the composition of the Town Planning Appeals Tribunal before an appeal has been determined, for the continuation of the hearing with the agreement of the parties to the appeal or in the event of the non-agreement, the recommencement of the appeal; (*b*) for the re-hearing of a matter heard by a division of the Tribunal constituted by two members (neither of whom is chairman) in the event that they do not agree on a decision; (*c*) for the application of certain provisions of the *Evidence Act* 1958 to proceedings of the Tribunal to summon persons to attend, obtain evidence on oath, and require production of evidence; and (*d*) for the keeping of a register by the Secretary for Planning of applications for revocation or amendment of interim development orders and planning schemes pursuant to sections 26 (1), 32 (4) and 32 (6) of the Principal Act and its availability for inspection by the public.

The motion was agreed to.

The Bill was committed.

Clauses 1 to 4 were agreed to.

Clause 5 (Amendment of No. 6849 s. 9 (2))

Mr LIEBERMAN (Minister for Planning)—I move:

Clause 5, page 4, lines 3 and 4, omit "on the land" and insert "erected on the land pursuant to that permit".

The purpose of the amendment is to clarify the fact that the development referred to in the clause is development effected pursuant to the permit.

Mr CAIN (Bundoora)—The Opposition does not oppose the clause or the amendment, which was discussed with the Minister. Members of the Opposition believe the amendment will make it

clear that developments referred to are not all of the developments on the land but only those erected pursuant to the permit.

It ought to be made clear that clause 5 simply takes up a point that was again made in a recent court case involving the Robb's building, when it was again decided that use and development did not include demolition.

The change provided for by the clause is clearly overdue and one might say it is a case of stable doors and horses. Although many of the horses have gone, there are a lot left. It is unfortunate that so many demolitions have been going on around the city and in other areas as developers have sought to clear land of old buildings without attempting to recycle them. Everyone has suffered as a result. It ought to be noted that it is now recognized and accepted by the Government that there is a growing trend to recycle and re-use buildings and that many buildings can be put to good use for many years to come.

This certainly fills a gap and will ensure that responsibile authorities will be able to control demolitions in a way that has not been possible in the past.

The amendment was agreed to, and the clause, as amended, was adopted.

Clause 6 (Delegation by responsible authority)

Mr CAIN (Bundoora)—I propose to move the following amendments to this clause:

Clause 6, line 30, after "(1)" insert "Subject to sub-section (9),".

Clause 6, lines 31 and 32, omit "or an officer of the authority".

Clause 6, page 6, after line 7, insert "and

(c) shall, where any objection in writing to the grant of the permit has been received by the responsible authority, refer the application to the responsible authority for determination."

Clause 6, page 6, line 23, omit "an officer or" and insert "a".

Clause 6, page 6, line 26, omit "officer or".

Clause 6, page 6, after sub-clause (1) insert—

"(9) A responsible authority shall not delegate under this section any function or power to a committee of the authority consisting of less than three members and a committee may only perform a function or exercise a power delegated under this section if the committee determines unanimously to perform that function or exercise that power."

The last of these amendments explains what is proposed. It amends that provision by requiring that the delegation shall be to a committee of three members and not to an officer. Proposed section 11A provides for delegation either to a committee or to an officer of a responsible authority of certain powers which are enumerated. The effect of the amendment will be to restrict that delegation to the sub-committee of the responsible authority and not to extend it to an officer. The proposed composition of the committee is three members, and it is also proposed that the committee exercise its powers only if it unanimously determines to grant a permit in respect of any application before it. In other words, any member of the committee may exercise a veto.

There is a further amendment to insert a new paragraph (c) in section 11A(2) in which it is suggested that any objections lodged shall be referred back to the responsible authority.

Perhaps I can summarize the position by saying that the effect of these amendments will be that, where a matter is delegated to a committee and where there is, firstly, a refusal by the committee, secondly, an objection by any one member of the committee to consent being given, thirdly, a condition imposed by the committee and the applicant requests a reference to the authority or, fourthly, an objection by any person against the application, there must be reference back to the responsible authority.

The philosophy behind this proposal is that the Opposition believes that matters of such consequence as are contemplated in the present provisions of clause 6 ought not to be determined by officers of the council, and that those matters ought not to be delegated to an officer without reference to the elected representatives of the body concerned. There are too many complaints about decisions of this kind being made to allow that power to vest in officers. As a matter of principle, there ought to be active participation and involvement by at least a section of the elected representatives in the circumstances suggested in the amendments.

Dr COGHILL (Werribee)—I endorse the comments of the honorable member for Bundoora on this clause. Those honorable members who have served in local government would understand that it is extremely important that the responsible authority have effective control over planning matters such as could be delegated under the provisions in the Bill as it stands. I do not criticize the Minister for it, but it is unfortunate that he has not had that experience. It is undeniable that, if the Bill were passed as it stands, it would open the door to corrupt and improper practices. Given the best will in the world by the Minister, if this clause were passed unamended there would be instances where people's integrity would be called into question in the exercise of their power under the provisions of the Bill when they might have acted in good faith. Those who have worked in local government as councillors know that many opportunities arise where corrupt and improper practices can occur. For that reason, it is essential that members of the responsible authority, those elected by the people in the areas served, have direct control.

The Opposition is concerned that situations could arise where an application is made for a permit and the responsible officer determines that it need not be advertised. In other words, the officer responsible need not require it to be advertised, which is in accordance with the provision as it stands in the Bill. He could then issue a permit without any other person being aware of it so that a situation could arise where an important planning decision could be made by the issue of a permit without the knowledge of the responsible officer or that of other affected persons, despite their perception of a detrimental effect to themselves, and without any other affected body having knowledge of the application or, indeed, of the issue of the permit until after the event when it would be too late to lodge an appeal under the Act as it stands and as it would be amended by the Bill.

For those reasons, it is essential that an amendment such as that proposed by the honorable member for Bundoora should be accepted.

Mr LIEBERMAN (Minister for Planning)—Firstly, I thank honorable members for their contributions to the debate. The discussions I had with the honorable member for Bundoora prior to the resumption of the debate have been of considerable assistance to me and to the Government in assessing many of the complex technical matters involved in the Bill. The question of delegation was thoroughly canvassed by me with the honorable member for Bundoora. Although I appreciate the spirit in which his proposals are now put forward, I am unable to accept them in their entirety. However, I would be prepared to accept part of the series of amendments the honorable member proposes, that is, the amendment which proposes to insert in section 11 (2) a new paragraph (*c*). The Government is happy to accept and incorporate that excellent proposal.

The extent of delegation has been carefully considered by me. There were a number of alternatives which could have been adopted. Finally, I accepted the one incorporated in the Bill, now assisted by the addition of the honorable member's proposal. The decision was not taken lightly, but after careful consideration of all the suggestions and the excellent work of the BADAC committee. In fact, my proposals as included in the Bill altered the recommendations of the BADAC committee which was inclined to give greater power to the officer.

The provisions in the Bill present a balanced view of the matter. There is no requirement on the responsible authority to delegate at all. It will be up to each responsible authority to carefully consider the matter and to decide for itself the extent of the delegation if any which is acceptable to it and which is consistent with the provisions of the clause. Some concern has been expressed about the possibility of delegation associated with the operation of section 18B (1) of the Act dealing with the giving of notice of applications for permits where substantial detriment may be caused. This matter was touched on by the honorable member for Werribee. I foreshadow that I intend to propose a

certain course in relation to that. It is open to a responsible authority not to delegate at all, to delegate to a committee—and some may be impressed by the amendment proposed by the honorable member for Bundoora and opt for that particular mix—or it may decide to delegate to an officer.

I draw attention to other important features of this delegation provision because it is important, because it is a new provision for Victoria and new to local government bodies. There are four matters which ought to be taken into account. The first is that the exercise of any delegated authority may be subject to such limitations and conditions as the responsible authority specifies in its resolution. I am sure many councils will accept the message to be gained from a reading of this debate in *Hansard* in time to come and will opt for some precautionary measure, if that is their view.

Secondly, where a delegated power or function is exercised, a report must be presented to the next meeting of the council or the responsible authority or, if that is not practicable, at the next succeeding meeting. So there will be a constant audit of the actions of officers. Clearly, I have confidence in the local government approach. Councils will monitor the situation and take appropriate steps in any situation arousing disquiet.

Thirdly, clause 9 proposes that provision be made in the Third Schedule to enable responsible authorities to nominate any planning schemes, interim development orders or applications for permits which must be advertised. I alluded to that earlier. That amendment will allay some of the apprehension of the honorable member for Werribee.

These provisions ought to be given a chance to work. Should it happen that the provisions do not work and that there is any abuse of them—I emphasize that I have confidence in local government—the Government will review the Act and make appropriate amendments. It is important to recognize that this sort of law is complex, as stated by the honorable member for Gippsland South. The Government must constantly be prepared to accept constructive suggestions and criticisms in order to ensure that it achieves the principles and objectives of sound planning and planning administration. I shall not be ashamed, although I shall be disappointed, if it is necessary for me to come back to this House and say that I was wrong about the matter and that it is necesary to reduce the powers of councils. I hope that will not be necessary but I certainly approach this proposed clause in that spirit.

Mr CAIN (Bundoora)—Naturally, I am delighted that the Minister has accepted at least part of the amendments the Opposition proposes and, in particular, the proposed paragraph (c) to be inserted in section 11 (2).

The debate comes down to whether or not there ought to be delegation to officers. The Minister says, in effect, that councils or responsible authorities will not be compelled to delegate to officers, that they may or may not delegate, as they see fit. That is true. However, it concerns me that those councils that will delegate to officers will be those which are dominated by strong officers who want to have this power. That is where the danger lies. With great respect to the Minister, his response to the arguments so well put by the honorable member for Werribee is a little naïve. Delegation to an officer could be dangerous in a situation such as that outlined by the honorable member. Unfortunately, it will be found that a proposal will be a *fait accompli* in the hands of a strong officer who guides his council as he sees fit before affected persons are aware of it. The Opposition is concerned that persons elected to local government bodies ought to exercise the function of supervision and surveillance over matters of this kind and ought to be involved. It is that situation which concerns the Labor Party. Where there are responsible authorities or councils made up of people who necessarily accept guidance and advice——

The CHAIRMAN (Mr A. T. Evans)—Order! According to Sessional Orders the time has arrived for me to report progress to the Speaker.

Progress was reported.

The SPEAKER (the Hon. S. J. Plowman)—The time appointed by Sessional Orders to interrupt proceedings has arrived.

Mr LIEBERMAN (Minister for Planning)—I move:

That the sitting be continued.

Mr FORDHAM (Footscray)—By leave, I seek an indication from the Minister of when it is expected that tonight's sitting will finish. It is now 10.30 p.m. and honorable members have been sitting somewhat extended hours this week, to say the least. If the motion to continue the sitting is passed we could go on for ever and a day. I suspect you, Mr Speaker, and all honorable members would be a little wary of giving that sort of *carte blanche* to the Government.

I should like an indication from the Minister that at a reasonable hour—it may be 2 a.m. or 3 a.m.—the House is likely to finish its activities. Anything else would be a disgrace. Honorable members need time to sleep, and to undertake their normal bodily functions and that cannot be done with the hours that are now being talked about within the precincts of the Chamber. It is absolute nonsense to suggest that honorable members should go through to breakfast and then on to Saturday and Sunday without a break. These may be simply rumours. The Minister can alleviate the situation straight away and indicate from the table that the House will finish at a reasonable hour. If that is so, there is no problem. We look forward to that indication from the Minister in charge of the House.

Mr LIEBERMAN (Minister for Planning) (*By leave*)—I am sure the wish to end business at a reasonable hour is common to all honorable members. In that regard I make the commitment that the spirit is willing. I am unable to give a precise indication. I think common sense will prevail.

Mr CRABB (Knox)—By leave——

Mr LIEBERMAN (Minister for Planning)—Leave is refused.

Mr FORDHAM (Footscray) — By leave—

The SPEAKER (the Hon. S. J. Plowman)—Is leave granted?

Mr LIEBERMAN (Minister for Planning)—No.

The House divided on the motion (the Hon. S. J. Plowman in the chair).

Ayes	45
Noes	29
Majority for the motion	16

AYES

Mr Austin	Mr McGrath
Mr Balfour	Mr McInnes
Mr Birrell	Mr McKellar
Mr Burgin	Mr Mackinnon
Mrs Chambers	Mr Maclellan
Mr Coleman	Mrs Patrick
Mr Collins	Mr Ramsay
Mr Crellin	Mr Reynolds
Mr Dixon	Mr Richardson
Mr Dunstan	Mr Ross-Edwards
Mr Ebery	Mr Skeggs
Mr Evans (*Ballarat North*)	Mr Smith (*South Barwon*)
Mr Evans (*Gippsland East*)	Mr Smith (*Warrnambool*)
Mr Hann	Mr Tanner
Mr Hayes	Mr Templeton
Mr Jasper	Mr Trewin
Mr Jona	Mr Weideman
Mr Kennett	Mr Whiting
Mr Lacy	Mr Williams
Mr Lieberman	Mr Wood
Mr McArthur	*Tellers:*
Mr McCance	Mr Brown
Mr McClure	Mr Cox

NOES

Mr Cain	Mr Miller
Mr Cathie	Mr Remington
Dr Coghill	Mr Roper
Mr Crabb	Mr Rowe
Mr Culpin	Mr Sidiropoulos
Mr Ernst	Mr Simmonds
Mr Fogarty	Mr Simpson
Mr Fordham	Mr Stirling
Mr Gavin	Mrs Toner
Mr Ginifer	Mr Trezise
Mr Hockley	Dr Vaughan
Mr Jolly	Mr Wilton
Mr King	*Tellers:*
Mr Kirkwood	Mr Spyker
Mr Mathews	Mr Walsh

PAIRS

Mr Borthwick	Mr Amos
Mr Hamer	Mr Wilkes
Mr Thompson	Mr Edmonds

The SPEAKER (the Hon. S. J. Plowman)—I will leave the chair in order for the Committee to continue its deliberations.

The House went into Committee for the further consideration of this Bill.

Discussion was resumed of clause 6 (Delegation by responsible authorities)

Mr CAIN (Bundoora)—I was only concerned to say to the Committee that when there was a strong assertive officer who was able to induce his council to delegate the authority the most risk lay.

That was the matter that concerned members of the Opposition and why we considered it was much more desirable to restrict delegation to a committee of not less than three, as proposed in our amendments.

Mr REMINGTON (Melbourne)—I support the amendments because I believe the Bill strikes at the very heart of what local government stands for. A number of honorable members have served in local government and it is unquestionably the closest form of democratic government available to people in this country. In that form of very personal democratic government lies the inherent guarantee that the people who make the decisions are accountable to the people who elect them. If we permit the Bill to stand unamended, and therefore, permit councils to delegate authority—I consider in most cases they will permit delegation of that authority to be passed down to officers—we then start to create in local government a form of bureaucracy.

I feel very strongly that this would be a bad thing, particularly for people who live in certain municipalities. In all the controversial areas in local government, there is no doubt that the most controversial area is that of planning. There are more disputes, more accusations of dishonesty and corruption in local government relating to planning than to any other issue. It seems to be most necessary that the power relating to planning should lie in the hands of the people who are elected to represent the municipality, and under no circumstances should that power be vested in full-time administrative officers. I am not casting aspersions on their honesty, but it would certainly build up bureaucratic powers in local government that do not exist today. It would be a major tragedy if this occurred.

Dr COGHILL (Werribee)—The honorable member for Bundoora has pointed out that the dangers in the Bill as it stands are in councils where there is a strong officer or officers administering or responsible for planning policies. In those cases there is a real danger that those officers will ensure that this delegation is given to them by people who historically and realistically exercise extremely strong influence on their council and who are likely to place themselves in a position where corruption and impropriety is possible.

After studying the Bill one can see how this may have arisen because, clearly, it was drafted by officer to officer contact. It is abundantly clear from reading the proposed amendments to the principal Act that the people concerned have not had experience as elected councillors. The measure was prepared by people with only administrative experience in planning matters who communicate regularly only with people who administer planning and local government responsibilities. There has certainly not been a strong influence by councillors or other members of responsible authorities in the framing of this Bill.

I illustrate the dangers by giving one example which I know quite well. It occurred in an area where the council had an unfortunate history of corrupt practices; indeed, it occurred in the area where the officer responsible for planning matters was formally prosecuted and convicted for corrupt practices. In this municipality, subsequent to those offences, a quite significant proposal was put forward for the development of a large block of flats in the middle of a detached housing area, a conventional subdivision. It contained houses on blocks of land ranging from about one-quarter of an acre to one-fifth of an acre. About 48 two-storey flats were proposed to be erected on a relatively small area which was not well served by public transport and which was surrounded by young families with many children.

In that case the applicant was required to advertise his intention to build this block of flats when he applied for a planning permit. Almost, but not quite, unanimous opposition was expressed to the proposal. As a result the council decided not to issue a planning permit, but I ask honorable members what would have happened if the application for a planning permit had not been required to be advertised, and if an officer with this responsibility delegated to him had issued the permit without consultation with his responsible authority and without advising any of the affected residents in the adjoining areas.

Clearly in that instance, at the very least an undesirable development could have gone ahead without any aspect of it having come before the responsible authority, and indeed, corruption could have been involved in such a case. It could very well have been that an officer may have had a pecuniary or other interest in the application which could have influenced him not to require it to be advertised, and subsequently he could have issued a planning permit.

That is the danger of which I am conscious as a former councillor, and which other former councillors will appreciate but, unfortunately, the Minister does not have that sort of background and, evidently, neither do the people who have advised him on this Bill. If the Bill is enacted, as the Minister intends it to be, it will have a severe weakness, and we will pay the price in the years to come.

Mr McINNES (Gippsland South)—After having listened to the debate and in the absence of a clear understanding of the Minister's reasons for opposing the amendments, members of the National Party will support the amendment moved by the honorable member for Bundoora. A great deal of power is proposed to be delegated here, and we are concerned that it could be unwisely used. There are many permutations that could occur, and in the absence of a fair explanation of the Minister's objection, the National Party supports the amendment.

Mr LIEBERMAN (Minister for Planning)—I noted the comments of honorable members, and in reply to the invitation by the honorable member for Gippsland South to offer some explanation, I refer honorable members to the explanatory memorandum which states that clause 6 enables responsible officers to delegate planning matters, other than specified matters. There are exclusions from the right of delegation which are important. The clause also provides that the delegation, where it is available, can be to committees or to officers, so that the spirit of the clause recognizes the value of the proposal of the honorable member for Bundoora that a committee could be an appropriate vehicle by which delegation can be achieved. No criticism is intended of the honorable member's proposed amendment in that sense; the criticism is that he would prevent delegation of anything to officers.

The Government believes that local government would welcome this provision, mindful that the delegation to the officer does not come about simply because the Bill, if proclaimed, states that that power can be passed on. It can be given to the officer only if the council resolves especially that the officer should have that power, and riders can be attached to the delegation; that is up to the council. In addition, the resolution can provide other means of monitoring the decisions and the Bill requires that an officer's decisions be reported on at the next council meeting or the one succeeding it.

The Government suggests that local government should be permitted to have this power. We have confidence in local government; I am sure the honorable member for Gippsland South and the National Party also support local government and realize its integrity and judgment in these matters. I say quite strongly that the officers are at all times under the supervision of their councillors and the council should have this right. It may use it if it wishes, but if it does not want to pass on the delegat-

ing power to an officer, it does not have to do so.

The proposal is worth trying because the spirit of this review of the Act is worth while. The Government has accepted the constructive criticism of the honorable member for Bundoora that the Bill is legalistic, but it is trying, as far as it can, to minimize delays in planning decisions because it is important that people have certainty and receive a decision quickly.

Provision has been made that the officer cannot refuse a planning permit application. This is a positive step that can be done at the time of application. The Government regards this as a vehicle that is worth trying because there are some decisions which need not await the council's formal decision at the next meeting and it would facilitate the development and progress of local government, so in that spirit it ought to be given a try.

Mr CAIN (Bundoora)—I move:

Clause 6, line 30, after "(1)" insert "Subject to sub-section (9),".

The Committee divided on the amendment (Mr A. T. Evans in the chair).

Ayes	37
Noes	37

AYES

Mr Cain	Mr Miller
Mr Cathie	Mr Roper
Mr Crabb	Mr Ross-Edwards
Mr Culpin	Mr Rowe
Mr Ernst	Mr Sidiropoulos
Mr Evans (*Gippsland East*)	Mr Simmonds
Mr Fogarty	Mr Simpson
Mr Fordham	Mr Spyker
Mr Gavin	Mr Stirling
Mr Ginifer	Mrs Toner
Mr Hann	Mr Trewin
Mr Hockley	Mr Trezise
Mr Jasper	Dr Vaughan
Mr Jolly	Mr Walsh
Mr King	Mr Whiting
Mr Kirkwood	Mr Wilton
Mr McGrath	*Tellers:*
Mr McInnes	Dr Coghill
Mr Mathews	Mr Remington

NOES

Mr Austin	Mr Mackinnon
Mr Balfour	Mr Maclellan
Mr Birrell	Mrs Patrick
Mr Brown	Mr Plowman
Mr Burgin	Mr Ramsay
Mrs Chambers	Mr Reynolds
Mr Coleman	Mr Richardson
Mr Collins	Mr Skeggs
Mr Crellin	Mr Smith (*South Barwon*)
Mr Dixon	Mr Smith (*Warrnambool*)
Mr Dunstan	Mr Tanner
Mr Ebery	Mr Templeton
Mr Hayes	Mr Weideman
Mr Jona	Mr Williams
Mr Lacy	Mr Wood
Mr Lieberman	*Tellers:*
Mr McArthur	Mr Cox
Mr McCance	Mr Kennett
Mr McClure	
Mr McKellar	

PAIRS

Mr Amos	Mr Borthwick
Mr Edmunds	Mr Thompson
Mr Wilkes	Mr Hamer

The CHAIRMAN (Mr A. T. Evans)—Order! The result of the division is Ayes 37, Noes 37. The numbers being equal, in accordance with precedent and as there will be another opportunity for testing this question, I cast my vote with the Noes.

The amendment was therefore negatived.

The CHAIRMAN (Mr A. T. Evans)—Order! In view of the result of the last division, amendment Nos. 2, 3, 4 and 5 standing in the name of the honorable member for Bundoora will not be put.

Mr CAIN (Bundoora)—I move:

Clause 6, page 6, after line 7, insert "and

(c) shall, where any objection in writing to the grant of the permit has been received by the responsible authority, refer the application to the responsible authority for determination."

The amendment was agreed to, and the clause, as amended, was adopted, as was clause 7.

Clause 8 (Responsible authority to give effect to statement of planning policy)

Mr CAIN (Bundoora)—I move:

Clause 8, line 37, after "re-development" insert "and a bond concerned with the carrying out of such re-development and in such terms and conditions as the responsible authority may reasonably require has been lodged with the responsible authority by the applicant for the permit".

The Opposition believes clause 8 is a good provision. It seeks to require the production of plans, specifications and contracts relating to proposed redevelopment prior to the issue of a permit for demolition. It aims at ensuring that a developer places before the responsible authority positive proposals with regard to the redevelopment of the land.

The question which arises is what sanction is provided if the developer does not proceed with the development as set out in the plans and specifications which he deposits. The amendment suggests one way of applying a sanction, and that is by requiring a bond to be lodged in such terms and conditions as the responsible authority requires.

The Opposition's amendment does offer a sanction against a developer who may seek a permit to demolish a building and presents plans which he has no intention of carrying out; he has no real intention of replacing the building that is demolished.

The Opposition is proposing that there ought to be some sanction. Merely to require the production of plans and specifications may not be enough in certain circumstances. The philosophy behind the proposed section is good, but it needs teeth to ensure that it is carried out and that the responsible authority has the capacity to ensure that it is carried out.

Dr COGHILL (Werribee)—As the honorable member for Bundoora has pointed out, this could well be a dead letter unless the amendment that has been proposed is carried. If there is not a binding requirement on developers, they will go ahead and destroy the provisions which are contained in the Bill, in addition to destroying the architectural merit and other matters classified in particularly sensitive areas. If there is an opportunity for planning authorities to propose or require large bonds, it would ensure that there was no demolition or other works performed contrary to the intentions of this provision and these areas could be preserved.

The amendment is simply giving these bodies an opportunity to require such a bond. It is not providing that it should be obligatory in every case, or that the bond should be of a particular magnitude, but it will allow the responsible authority to take effective control. As the honorable member for Bundoora pointed out, unless there is such a provision, there is a grave danger that these areas which have a particular significance, whether it be historical, scientific or whatever, will be destroyed, despite the intentions of the public authority and wishes of the people whom it represents and whose interests it is designed to serve.

The amendment was negatived, and the clause was agreed to.

Clause 9 (Amendment of No. 6849)

Mr LIEBERMAN (Minister for Planning)—I move:

Clause 9, lines 41 to 45, page 8, lines 1 to 3, omit all words and expressions on these lines and insert—

"18BA. (1) Regulations made under this Act may require that notice be given or published of all or any class or classes of applications for permits to use or develop land and such regulations may prescribe the manner of giving or publishing notice of any such application or class of application.

(2) Where the interim development order or any regulation specifies that notice of any application for a permit shall be given or published, the responsible authority shall not determine to grant the permit unless it ensures that such notice is given or published in accordance with the interim development order or regulation (as the case requires) by the applicant or by the responsible authority at the expense of the applicant."

Notifying the public of development proposals, in the view of the Government, is most important. The Government regards the obligation of representing authorities to inform the public as being paramount and one which maintains and enhances the reputation and integrity of planning and one which gives councils credit if they adopt the principle of notification.

I am mindful that the existing section gives councils the lawful right, in certain circumstances, not to require advertisement and I do not criticize those councils which have acted in accordance with the existing law. However, the Government con-

siders that the additional provision, which is now proposed and which will permit the making of regulations, is a useful addition to the Act.

It is intended that from time to time types of development which are clearly those which have, say, a regional impact on an adjoining municipality or are of a type which is causing substantial change in the economic pattern of the community should be the subject of notice by way of an advertisement. The amendment is an excellent way of providing this.

I refer particularly to the development of retail buildings in Victoria. All honorable members will know that substantial retail developments are occurring which, in some cases, do have an effect on other parts of Victoria. The Government takes the view that it is only fair that these developments be advertised, particularly if any aspects of negotiated planning are involved.

The honorable member for Bundoora has already announced the common ground the Government and the Opposition shares that these matters ought to be disclosed, and this is an excellent way of doing it.

Dr COGHILL (Werribee)—I hope by specifying one particular example to which this provision could be applied, the Minister is not seeking to imply that it is the only example.

Mr Lieberman—No.

Dr COGHILL—I seek an assurance that that is not the case. I refer particularly to the debate on an earlier clause when I pointed out the example of a large block of flats which would have made quite a considerable impact on the residential community of an area. I suggest in cases such as that it should be obligatory for the applications to be advertised.

Mr CAIN (Bundoora)—I commend the Minister for moving to have this amendment inserted in the measure. It is common ground that the present section 18B of the Act does cause a deal of dissension and concern in many areas.

It is desirable that there should be power to make regulations in respect of certain matters which should determine that an advertisement is a reasonable step to take, and it is desirable to entrench that requirement in the Act.

This is one of the matters the Government and the Opposition discussed and I am delighted that the Minister has taken the opportunity to insert this provision.

More complaints are made by local residents in metropolitan and country areas about not knowing what is going on than about anything else in this field. Often the real substance of the plans of redevelopment are not objected to; the objection is to the fact that the residents did not know about it and did not have an opportunity to express a point of view.

It is the view of the Opposition that there ought to be a much wider range of cases in which there is the requirement to notify or to advertise, whatever may be appropriate in the circumstances. I hope this regulation will allow this procedure to be used.

The Minister for Planning has indicated one area in which it could be used, but there are many others and as time passes opportunities will present themselves to determine the classes of application which should justifiably be covered by this type of treatment.

The amendment was agreed to, as were consequential amendments, and the clause, as amended, was adopted.

Clause 10 (Register of applications)

Mr CAIN (Bundoora)—I move:

Clause 10, line 38, after "charge" insert "and copies of all relevant plans and applications together with particulars of all relevant submissions and determinations shall, upon request by any person be made available for inspection free of charge during those hours".

Clause 10 is a good provision because it requires the keeping of a register of applications for permits and determinations by the responsible authorities. It is not enough just to keep a register. The amendment proposes that the documents deposited in support of the application will be available to any person who may be interested.

It is not much good providing for the keeping of a register and the keeping of these various documents if those persons who may choose and desire to make use of that register do not have available to them the various documents that are deposited. The argument advanced against that is that it may be used against the applicant lodging the documents in some later appeal proceedings. I find it difficult to understand that objection because, if there are appeal proceedings, the whole of the record ought to be available to all parties. It is not an adversary process of the kind that would justify any party withholding relevant material from any other party.

There is no point in saying that people can and should participate in planning decisions because of a register in which all the documents lodged in support of the application shall be kept, unless there is ready access to those documents by the interested person. What should be kept is a bound chronological register and also a loose-leaf document setting out the information under street names, because it is pointless inquiring unless one is armed with sufficient information to identify the specific area or application about which one is concerned.

If one knows that something is wrong in Brown Street or Smith Street, and one does not know any more than that, unless there is a register that contains information under the street names, there are a number of obstacles to the register revealing to the interested person what he or she wants to know.

The amendment is moved on the basis that the current provisions of clause 10 do not go far enough in maintaining the spirit intended. Persons should have available to them all of the relevant information on these applications.

Mr McINNES (Gippsland South)—The spirit of clause 10 implies that a register should be kept. However, if a register is kept, there needs to be a reason. If that reason is to make the register available to the public, it logically follows that the amendment moved by the honorable member for Bundoora has merit.

The only drawback is that inquiries of the register would unnecessarily tax the work of the responsible authority. That aspect must also be considered. I commend to the Minister for Planning the fact that the amendment does have considerable merit if it can be implemented without taking up the time and energy of the local authority.

Mr LIEBERMAN (Minister for Planning)—The existing provisions of the clause are adequate. They introduce a new requirement and obligation on local government and the responsible authorities. As the honorable member for Gippsland South said, an unnecessary burden would be imposed upon the responsible authorities.

The honorable member for Bundoora has moved an amendment which requires making available a lot of other documents and papers which could impose a burden and expense upon the council.

The current clause makes provision for the public to have access to the basic information by reason of knowledge of the permit, but there are other ways and means of ascertaining particulars. One also has to bear in mind that the Government has announced that the entire planning administration is being reviewed and that the Government is undertaking an overhaul of the Town and Country Planning Act. I have given notice of the introduction of a Bill which, it is hoped, will be introduced next week and, subject to the second reading, will be laid over until the next session of Parliament. That Bill will contain a number of dramatic and substantial changes to procedures of appeals, including the introduction of a concept of a compulsory conference where the parties and objectors are brought together for the purpose of ascertaining exactly where they stand and what are the arguments. During that process, the Government is confident that a lot of information that may reasonably be required will be made available. Another question is that of confidentiality.

Mr McInnes—How would one ascertain whether there are objectors?

Mr LIEBERMAN—A simple inquiry over the counter would establish whether any objections had been lodged and the enactment of the Bill next year would also provide basic information.

On the question of confidentiality, the honorable member for Bundoora suggested that all relevant submissions and determinations should also be made available on request. That is a wide requirement. It is new and innovative legislation. It is the Government's responsibility to establish how the clause operates, what the experience of councils is and consultations will take place with councils to review the matter. I am prepared to give an undertaking that, given a reasonable period of operation, the matter will be reviewed. I shall seek the opinion and advice of the Municipal Association of Victoria and other people as to their opinions on the operation of these specific provisions.

Dr COGHILL (Werribee)—I am surprised by the comments of the Minister for Planning because one could infer a rather surprising ignorance of planning procedures by him. I do not believe that reflects the Minister's knowledge of the situation.

The Minister suggested the amendment would place an immense burden and expense upon local government. However, I turn now to examine what is proposed. It is simply proposed that these plans and other documents should be made available for inspection. It is not stated that copies should be circulated and that everyone should be able to come in and take a copy away for any inquiry or potential objector. It simply says that someone with an interest in a specific application should be able to inspect the documents. That does not impose an immense burden upon any planning authority or responsible authority. I am sure the Minister is conscious of that and it therefore worries me that he has handled the matter in the way he has.

The Minister spoke about confidentiality which might be required. I again bring the Minister back to what actually happens. The Minister would know, from his own experience and observation, that when plans and documents are lodged with a responsible authority in respect of a specific application, those plans and documents can very easily become public knowledge simply by a report of an officer to the responsible authority.

The Minister would be well aware that anyone lodging such submissions, plans or documents would lodge them in the knowledge that they could well become public knowledge to be used in any subsequent appeal. It is only reasonable that people who inspect documents relating to a specific application should be able to do so, so that they can make a properly considered judgment in the same way that the responsible authority would later be able to do.

The amendment was negatived, and the clause was agreed to, as were clauses 11 and 12.

Clause 13 (Revocation of permits issued by a previous responsible authority)

Mr CAIN (Bundoora)—I move:

Clause 13, lines 22 to 29, omit all words and expressions on these lines.

The clause deals with the revocation of permits issued by a previous responsible authority, the matter then being in the hands of another authority. If I can paraphrase the present provision to explain the amendment, the provision is that that power of revocation shall be exercised only in the event of certain grounds set out in the current section 24 (1) of the Act. Those grounds are if there is a material statement or concealment, any substantial failure or compliance with the conditions of the permit and any material mistake in relation to the granting of a permit and any material change of circumstance. The amendment is designed to require that the current authority should do no more than consult with the former authority.

The criteria set out in the present section are too restrictive on the current authority which is the one responsible for the provisions. That authority ought to act under section 24 where it believes that it is appropriate to do so after consultation with the previous authority, regardless of whether the matter satisfies that criteria. There is a responsibility vested in the current authority and it ought to be uninhibited, subject to consultation, when exercising the power and responsibility that rests in the current authority.

The amendment was negatived, and the clause was agreed to.

Clause 14 (Amendment of No. 6849 s. 28)

Mr CAIN (Bundoora)—I move:

Clause 14, page 10, lines 43 to 47; page 11, lines 1 to 44; page 12, lines 1 to 43; page 13, lines 1 to 25; omit all words and expressions on these lines and insert—

'(1C) The responsible authority shall give a reasonable opportunity of being heard by it to any person who has stated in a submission that he wishes to be heard with respect thereto unless the responsible authority determines in respect of any submission after consideration by it of that submission to modify or alter the scheme to include all variations requested in the submission.

(1D) Notwithstanding anything in sub-section (1) where a planning scheme is made for an area in respect of which a statement of planning policy has been approved the responsible authority shall submit the scheme to the Board for certification in writing that the scheme in the opinion of the Board is consistent with the statement of planning policy and shall obtain such certification before carrying out the procedures referred to in sub-section (1).

(1E) Where a planning scheme is submitted to the Board under sub-section (1D) the Board shall within three months—

(*a*) certify the scheme under that sub-section; or

(*b*) specify the provisions of the scheme which it considers are inconsistent with a statement of planning policy.

(1F) If the Board fails to comply with the provisions of sub-section (1E) within three months of submission of the scheme to the Board for certification the scheme shall be deemed to have been certified by the Board and the responsible authority may thereupon carry out the procedures under sub-section (1).

(1G) Where the responsible authority (not being a rating authority within the meaning of the Valuation of Land Act 1960) is required under this section or section 30(3) to send or deliver notices to persons appearing from its rate records to be the owner or occupier of any land the municipal council in whose municipal district the land is situated shall provide the responsible authority with a certified copy of relevant parts of the rate-book and any information obtained from such certified copy shall be deemed to have been obtained from the rate records of the authority.";

(c) In sub-section (3) for the expression "sub-section (1)" there shall be substituted the expression "the provisions of this section"; and'.

The effect of that amendment is to omit various provisions in relation to the panels to be appointed to consider submissions. The amendment inserts the consequential reference of objectors back to the authorities.

Members of the Opposition reject the novel concept of the panels. The panels will simply add to the cost and complexity to the whole planning process. It would be best to leave the consideration of submissions to the responsible authority and not to introduce these panels as proposed. The consideration of particular panels might give undue weight to the matter before the panels without regard to the whole of the plan. These panels really introduce another tier of judgment or consideration into the planning process and create a mini-tribunal within the structure. They will no doubt add to the time and cost of persons who desire to make objections or desire to have matters considered.

The best persons to consider those objections are the persons responsible for the whole plan. The responsible officers will consider the planning in the light of the whole of the plan and not just from the point of view of the particular objection or matter put before it, as panels will do. The panels will introduce another tier to a dispute and simply add to the complexity and the maze of steps and procedures that must be followed by any person who finds himself in the planning process labyrinth that already exists. Members of the Opposition reject the notion and the amendment is accordingly moved.

Dr COGHILL (Werribee)—I strongly endorse the comments of the honorable member for Bundoora and remind the Minister of the events of which

he has personal knowledge, where planning processes have been delayed by various procedures that have been put in their way and this has distressed the people caught in the middle of it —the people who have been wanting to undertake development and who have been wondering whether their properties or land might be subject to development. I remind the Minister that the provisions of this clause will add to the difficulty and to the time that it takes to make planning decisions, to the disputes surrounding planning decisions, and, more importantly, to the uncertainty and distress that individuals and their families will feel in the consideration of the developmental planning schemes.

The point of major concern is that the need to consider a planning proposal in its broad, over-all context will be very much put at risk by the amendments proposed in the Bill. At present, if there is a proposal to change a planning scheme, the proposal can be looked at in the light of the existing planning scheme and all the other provisions that would affect a particular area. The Minister proposes that he should have responsibility to appoint a panel. There is no guarantee that that panel will have full knowledge of the planning issues affecting the area generally or, indeed, in a particular case. There is no guarantee that the individuals will have any background knowledge of a particular area, and indeed in some instances the Minister of the day may find it judicious or expedient to appoint people who do not have any local connection.

There is danger in that. They may make poorly informed decisions which do not have the endorsement of the responsible planning authority and, more particularly, do not have the endorsement of the people who elect the responsible planning authority. That is the really critical point about this proposal for panels. It removes the democratic right of people to determine the planning development of their areas. It takes that away from them and puts it in an isolated panel with no responsibility and no requirement of local knowledge and with the grave danger that the panel will make decisions which are not seen to be in the interests of the community for which the authority is responsible.

For those reasons, I suggest that the Minister should reconsider the proposals in the Bill. If the Bill passes and becomes an amendment to the Act, the Minister will be forced to reconsider this proposal within a short time. Within a few months he will find the provisions have so bogged down the planning provisions of legislation in Victoria that he will wish he had never introduced them.

Mr LIEBERMAN (Minister for Planning)—The clause relates to planning schemes and it should not be confused with the other numerous processes under the planning system. When one considers the effect of a new planning scheme or change to a planning scheme, one must remember that that involves an alteration possibly to an existing zoning of land. That is not always the case because some of the planning schemes propose the continuation of the existing use. Even a continuation of an existing right might, in the view of the owners of that land or of some members of the community, be wrong. Therefore there are various forces at work when one considers planning scheme processes.

It is important that honorable members realize that the planning scheme is one of the most serious introductions into our society controlling land use and the Government has for a number of years realized that when objections —we now call them submissions, which is more positive—are received from people, whether they be landowners or neighbours or people in the community, the deliberations on them have been and still are by the councillors and by the residents' authority itself, so that there is, with the best of good faith, of necessity a season to season situation.

The planning scheme has been favoured by the responsible authority more often than not. The authority has gone through the process of deliberation with its officers and has put the scheme on display, so that in a way

it is somewhat of an injustice for the people who make submissions to have their submissions determined by the very people who have favoured the planning scheme.

It is out of that concern that the amendment has been proposed in the Bill. I point out that the present law in relation to changes in planning schemes provides that the responsible authority shall hear the objections, take them into account and then send the planning scheme with the responsible authority's final view as to what the form of the planning scheme should be to the next stage of the planning process, which is to the Minister who refers it to the Town and Country Planning Board for assessment and advice, and then finally it comes back to the Minister to decide whether he will recommend the scheme to the Governor in Council. The Minister takes into account the various reports that he receives, so that even without an introduction of the proposed new procedure, there is the Town and Country Planning Board situation.

The defect is that the Town and Country Planning Board does not hear the objections or the submissions that would be received in future times. It certainly notes them and studies them in written form but it does not have the benefit of face to face contact. The Government is trying to achieve a sense of confidence in the community that the planning process is fair, just and equitable, that it gives the maximum opportunity of a reasonable basis on which people can put their cases, and by this Bill the Government is providing for an independent panel which has a member of the residents' authority on it, bearing in mind also that the independent panel hears only those submissions which have been rejected by the responsible authority.

The planning scheme goes on exhibition, submissions are made, the responsible authority deliberates on them and decides whether to adopt some of the submissions and suggestions and, when that is done, there is no issue for those that have been adopted. Those that have not been adopted and are controversial and at issue are referred to the independent panel. The season to season situation has been removed. The independent panel conducts the hearing and then reports its recommendations back to the responsible authority.

The responsible authority is not bound to accept the recommendations of the independent panel. It has to note that it does not adopt them. Therefore, the Government is not taking away from the responsible authority its right as the authority under the Act—in many cases local government—to make those decisions. Its recommendation to the Minister is its own recommendation, but it is strengthened by the fact that an independent assessment has taken place. That is a valuable introduction into the planning system. It is worth trying. The Government is already receiving feed-back from the independent panel system, which it has used in the regional planning system, and recently the Western Port Regional Planning Authority completed its own deliberations and the submissions on the industrial exhibition, and the independent panel is about to be set up to look at that as well. It is a worthwhile innovation. The provision does not take away the right of the authority to operate, and it gives a sense of well-being and a sense of confidence to the community that the planning process is indeed one which gives people a reasonable opportunity without the season to season situation being involved.

The planning scheme actually zones the use of the land; it creates the legal use for the land. The honorable member for Bundoora mentioned by way of interjection that there was a possibility of an appeal. I think by that he was suggesting: What is the good of having the independent panel when there is an independent appeal body in the structure of planning? Of course, the planning scheme normally designates the use for a particular piece of land so that normally it becomes as of right that that particular land can be used for a purpose, and indeed the question whether anyone does not

want it to be used for that purpose does not arise because there is no right to object. The owner of the land has that right and no one can object to it. In that context the appeal system to which the honorable member was referring is not relevant. In all the circumstances it is worth a try. The notion of getting rid of a season to season concept is worth while, it will strengthen the planning system in Victoria.

It will make the role of local government a little easier because the ratepayers and the community generally will feel that justice has been done. They will have the opportunity of making a submission and it will be accepted.

Another matter to be taken into account is the likelihood of less controversy and appeals in other areas by reason of the fact that many people who would normally object and seek an audience for an appeal on the matter may not do so because this process is available. This experiment will reveal that pattern. The Government is trying to minimize the areas of controversy and adversity which arise, particularly in an appeal before the Town Planning Appeals Tribunal.

Mr CAIN (Bundoora)—I was interested to hear the Minister's explanation and the reasons behind the introduction of the panel, but I remain unconvinced of the wisdom of the proposal. I am left with the strong view that this is the introduction of yet another tier in the system that will operate in favour of those who know how to operate the system. It will offer advantages to those who are familiar with using the system and, in relative terms it will not aid the person who has one or two experiences with planning in his lifetime. What troubles the Opposition is that the Bill really seeks to take away the element of responsibility in the preparation of a plan.

When the chips are down the planning process in determining land use is political or is dominated by political concepts and it is a subtle attempt to remove some of the political flak that results from decisions that are essentially political in character. In so doing, the Government is gumming up the process and creating another step that will only make the process more complicated for the people who seek to be involved in planning. The Opposition remains unconvinced, having heard the long explanation of the Minister of the reasons for the introduction of the panels and that they will aid people in planning. The Opposition believes the reverse will apply.

Dr COGHILL (Werribee)—As pointed out by the shadow Minister for Planning, the Opposition cannot accept the Minister's explanation. The Committee is better informed about the intentions of the Bill because of that explanation which was clearer than the explanatory memorandum or his second-reading speech. But the Minister used legalistic grounds for establishing these panels. He has spoken of a Caesar unto Caesar situation. It is taking away the responsibility of democratically elected and appointed planning authorities. There can be no other interpretation of those panels because they will detract from the responsibility and the right of those democraticaly elected responsible authorities. As the shadow Minister for Planning pointed out, it will only add to and complicate the consideration of planning issues and further delay and distress the people affected by it.

Mr McINNES (Gippsland South)—I am concerned about the criterion for the appointment of members of the panel. In legalistic terms, it sounds very good, as if it could reduce the time for planning approval. One must try to predict what can happen. There are two members of the panel who may have no experience and who will be heavily influenced by the one expert member of the panel.

The Bill gives full rein to the democratic process, because the panel shall give the opportunity reasonably of being heard. This is obviously designed to ensure that everyone who makes a submission will not follow it with a request for an interview with the panel. That would take a lot of time. A large proportion of planning matters are

relatively simple and could be decided without controversy, but here are other very important matters and the Minister is throwing on to one expert member of the panel a very serious and heavy responsibility.

I carefully studied what the honorable member for Bundoora said, but I am still unclear of the guidelines he would use to select other members of the panel. Whether it should be two councillors or two leading citizens from the area, there is no question of qualifications and rather than it being a simple task they are being asked to perform it may well grow to the point where they are assuming a responsibility that ought to be borne by the responsible authority or the planning authority which would be capable of providing a well-reasoned answer.

In trying to simplify this matter, as the Minister is trying to do, I am not sure whether he is biting off more than he can chew. I would like to hear more from the Minister on that point.

Mr LIEBERMAN (Minister for Planning)—The honorable member for Gippsland South expresses concern at the effect of this innovation. I think the reassurance the honorable member seeks is found on page 12 of the Bill in subparagraph (1R) which clearly states:

> After conducting hearings in accordance with this section and considering submissions the panel shall report to the responsible authority on any modifications of or alterations to the planning scheme which it believes should be made.

That is the extent of the panel's ultimate involvement in the process. The report does not have to be adopted by the responsible authority. It is merely a valuable aid to the responsible authority to assess the view of an independent panel of the submissions that have been made.

It is believed that the independent report will strengthen the decision-making process and perhaps fortify the responsible authority in the final difficult decision it has to make when recommending to the Minister what it ultimately thinks the plan ought to be. It is an additional process and will require extra work, but it is important to contemplate the permanent zoning and exchange the existing zoning and it is worthwhile to do that. The responsible authority is secure in the knowledge that it does not have to adopt the report but it is aided by it, whether or not it adopts it.

The criterion of the appointment of members of the panel, which is the point raised by the honorable member for Gippsland South, is one the Minister would adopt. It is a common-sense approach and would look to appoint people who are totally independent of the responsible authority and would not have an investment in the area of land affected by the planning scheme. They would be people of experienced judgment and repute who would be available to give all of their time to provide an independent hearing and the opportunity for people who have made submissions which have already been rejected by the responsible authority—one should bear that in mind —to be heard by the panel if they have been objected to.

The panel is appointed only for the period of the exercise. Its role ends when the exercise is completed.

Mr Cain—It is appointed to look at one matter and has no concept of the over-all plan. That is the problem.

Mr LIEBERMAN—A panel is not a novel idea because panels are provided for in the Geelong and Western Port Regional Planning Authority legislation. The Upper Yarra Valley and Dandenong Ranges Authority legislation includes provision for a panel in relation to strategy plan exhibition but the composition is different. I can say no more than that it is a new innovation and the Government recommends that it be tried. It will be appreciated by all involved if it is given the right opportunity to work.

The Committee divided on the question that the words and expressions proposed by Mr Cain to be omitted stand part of the clause (Mr A. T. Evans in the chair).

Ayes	..	.. 37
Noes	..	.. 37

AYES

Mr Austin	Mr McKellar
Mr Balfour	Mr Mackinnon
Mr Birrell	Mr Maclellan
Mr Brown	Mrs Patrick
Mr Burgin	Mr Plowman
Mrs Chambers	Mr Ramsay
Mr Coleman	Mr Reynolds
Mr Collins	Mr Skeggs
Mr Crellin	Mr Smith (*South Barwon*)
Mr Dixon	Mr Smith (*Warrnambool*)
Mr Dunstan	Mr Tanner
Mr Ebery	Mr Templeton
Mr Hayes	Mr Weideman
Mr Jona	Mr Williams
Mr Kennett	Mr Wood
Mr Lacy	*Tellers:*
Mr Lieberman	Mr Cox
Mr McArthur	Mr Richardson
Mr McCance	
Mr McClure	

NOES

Mr Cain	Mr Miller
Mr Cathie	Mr Roper
Mr Crabb	Mr Ross-Edwards
Mr Culpin	Mr Rowe
Mr Ernst	Mr Sidiropoulos
Mr Evans (*Gippsland East*)	Mr Simmonds
Mr Fogarty	Mr Simpson
Mr Fordham	Mr Spyker
Mr Gavin	Mr Stirling
Mr Ginifer	Mrs Toner
Mr Hann	Mr Trewin
Mr Hockley	Mr Trezise
Mr Jasper	Dr Vaughan
Mr Jolly	Mr Walsh
Mr King	Mr Whiting
Mr Kirkwood	Mr Wilton
Mr McGrath	*Tellers:*
Mr McInnes	Dr Coghill
Mr Mathews	Mr Remington

PAIRS

Mr Borthwick	Mr Amos
Mr Hamer	Mr Wilkes
Mr Thompson	Mr Edmunds

The CHAIRMAN (Mr A. T. Evans)—The vote being equal, I will cast my vote against the amendment with the Ayes, as there will be another opportunity of testing the matter.

The amendment was therefore negatived.

The sitting was suspended at 12.5 *a.m.* (*Friday*) *until* 12.28 *a.m.*

Mr LIEBERMAN (Minister for Planning)—I move:

Clause 14, page 13, lines 20 to 25, omit all words and expressions on these lines and insert—

'(c) In sub-section (3)—

(i) for the expression "sub-section (1)" there shall be substituted the expression "this section"; and

(ii) for the word "it" there shall be substituted the expression "and all submissions in relation to that part referred by the authority under sub-section (1c) (*b*) have been considered by a panel and any necessary hearings have taken place the responsible authority"; and'

Clause 14, page 15, after line 5 insert—

'(6) In section 32 (7) of the Principal Act for the words "of notifying the Minister in writing of his objections to the proposed amendment" there shall be substituted the words "to make a submission to the Minister with respect thereto".'

Clause 14, page 15, line 6, omit "(6)" and insert "(7)".

Clause 14, page 15, line 6, omit "and 30" and insert ", 30 and 32".

Clause 14, page 15, line 12, omit "and 30" and insert ", 30 and 32".

The amendments were agreed to, and the clause, as amended, was adopted.

Clause 15 was verbally amended, and, as amended, was adopted, as was clause 16.

Clause 17 (Information in certificates)

Mr CAIN (Bundoora)—I move:

Clause 17, line 34, after "application" insert "and referred to in the certificate".

The amendment will clarify what is intended by the clause. The effect of the amendment will be to provide that the responsible authority shall, upon application being made, issue a form stating whether the land described in the application is or is not land to which an order, planning scheme or an urban regional proposal relates and the date specified is the correct one.

As it now stands, the clause is a little unclear. The amendment puts beyond doubt what is intended and clarifies what proof can be provided by means of a certificate.

The amendment was negatived, and the clause was agreed to.

Clause 18 was verbally amended, and, as amended, was adopted, as was clause 19.

Clause 20 (Amendment of No. 6489 s. 58)

Mr LIEBERMAN (Minister for Planning)—I move:

Clause 20, page 19, line 17, omit "council" and insert "municipality concerned".

Mr CAIN (Bundoora)—The Labor Party agrees with the amendment which makes it clear that it is the municipality that will pay if compensation is to be paid and not the twelve members of the council, because that is the construction that could be placed upon the clause by using the word "council" in the original context. There may be other situations where a similar amendment ought to be considered because the word "council" does appear to have been used where it might have been safe and desirable to use the word "municipality".

The amendment was agreed to, and the clause, as amended was adopted.

Clause 21 (Amendment of No. 6849)

Mr CAIN (Bundoora)—I move:

Clause 21, page 20, after line 10, insert "; and

"(*e*) shall incorporate all the provisions of any other scheme or any interim development order in force in the area to which the local development scheme relates."

Clause 21 relates to the provisions concerning local development schemes. It extends over nine pages of the Bill and highlights starkly the remarks I made in the second-reading debate about the complexity that some provisions of the Bill have assumed. There is no argument in principle about the local development schemes. The amendment makes it clear that all of the provisions in the affected areas adopted as a result of schemes of that type should be incorporated in the one document.

If there are other planning schemes affecting a given area and a local development scheme is adopted to aid the person who may wish to know what planning requirements affect certain land, all of the requirements under any other scheme must be incorporated under the provisions of the amendment into the local development scheme.

It has been suggested that there are other provisions in the Bill to ensure that this is carried out, but I am not satisfied that that is so. If local development schemes are to be adopted, they should embrace all of those provisions and all of the requirements of any other plan or interim development order affecting the area, and there should be no doubt that a person need consult only one plan governing an area to determine the planning requirements. The Opposition believes that any innovation like this should ensure that planning is simplified rather than made more complex.

Mr LIEBERMAN (Minister for Planning)—The Government does not support the amendment. It may not be appropriate to incorporate all the provisions applying under another scheme or interim development order. Local development schemes must be consistent with the Melbourne Metropolitan Planning Scheme and must be included in the objectives of that scheme or an interim development order of the Board of Works covered by the scheme. Provision is included in the proposed clause 59AB (4), which provides:

(4) Where the Minister is satisfied that the provisions of a local development scheme are substantially similar to the provisions of a planning scheme or interim development order in force in that part of the municipality to which the local development scheme will apply he may by notice published in the *Government Gazette* specify that the provisions of sub-section (1) do not apply to that local development scheme and the council may forthwith adopt the local development scheme for submission to the Board of Works.

Dr COGHILL (Werribee)—The Minister has not allayed the fears of the Labor Party. In fact, this new provision will add another layer, another difficulty, another obstacle for people wishing to make application for planning permits or wishing to obtain the requisite permission for developments. There is a real possibility that, if the Bill is passed as proposed by the Minister, instead of local development schemes implementing a one stop type of planning scheme, it will add yet another layer.

From the Minister's earlier statements, it seemed that the Government's objective was one stop planning schemes; in other words, a set of planning arrangements whereby a person wishing to undertake a development could go to a centre and discover all of the planning controls affecting his proposed development. That is not implicit in the Bill.

The Minister suggested that there is a provision in the Bill which may facilitate that, but it is full of "maybes" and "mights" and provisos. It does not guarantee that there will be one stop planning. It almost guarantees that there will be a remaining duplicity or multiplicity of planning controls applying in any area.

The Bill as it stands would apply these provisions only in the metropolitan area; and it is highly likely that a municipality would adopt its own local development scheme and yet find that developments in its area were also subject to control under the Melbourne and Metropolitan Board of Works planning scheme. Clearly, that was not the Government's stated intention, but that is the likely outcome under the Bill as it stands. I urge support for the amendment as moved by the shadow Minister for Planning.

The Committee divided on Mr. Cain's amendment (Mr A. T. Evans in the chair).

Ayes	29
Noes	44
Majority against the amendment	15

AYES

Mr Cain	Mr Roper
Mr Cathie	Mr Rowe
Mr Crabb	Mr Sidiropoulos
Mr Edmunds	Mr Simmonds
Mr Ernst	Mr Simpson
Mr Fogarty	Mr Spyker
Mr Fordham	Mr Stirling
Mr Gavin	Mrs Toner
Mr Hockley	Mr Trezise
Mr Jolly	Dr Vaughan
Mr King	Mr Walsh
Mr Kirkwood	Mr Wilton
Mr Mathews	*Tellers:*
Mr Miller	Dr Coghill
Mr Remington	Mr Culpin

NOES

Mr Austin	Mr McInnes
Mr Balfour	Mr McKellar
Mr Birrell	Mr Mackinnon
Mr Brown	Mr Maclellan
Mr Burgin	Mrs Patrick
Mrs Chambers	Mr Ramsay
Mr Coleman	Mr Reynolds
Mr Collins	Mr Richardson
Mr Crellin	Mr Ross-Edwards
Mr Dixon	Mr Skeggs
Mr Dunstan	Mr Smith (*South Barwon*)
Mr Ebery	Mr Smith (*Warrnambool*)
Mr Evans (*Gippsland East*)	Mr Tanner
Mr Hann	Mr Templeton
Mr Hayes	Mr Trewin
Mr Jasper	Mr Whiting
Mr Jona	Mr Williams
Mr Kennett	Mr Wood
Mr Lacy	
Mr Lieberman	*Tellers:*
Mr McArthur	Mr Cox
Mr McCance	Mr Weideman
Mr McClure	
Mr McGrath	

PAIRS

Mr Amos	Mr Borthwick
Mr Ginifer	Mr Thompson
Mr Wilkes	Mr Hamer

Mr LIEBERMAN (Minister for Planning)—I move:

Clause 21, page 27, line 9, after "development" insert "or the doing or carrying out of such matter or thing".

The amendment was agreed to.

Mr CAIN (Bundoora)—I move:

Clause 21, page 28, after sub-clause (8) insert the following:

'(9) After section 12(13) of the principal Act there shall be inserted the following sub-section:

"(14) Notwithstanding anything in this Act the provisions of sections 59AA to 59AE shall apply with such adaptations and modifications as are necessary to and in relation to a regional planning authority, the preparation and submission for approval of any local development scheme by the council of any municipality and the enforcement and carrying out of any such scheme in relation to the area or any part of the area in respect of which the regional planning authority was established as if every reference in those sections to the "Board of Works" were a reference to the regional planning authority, every reference to the "metropolitan area" were a reference to the area in respect of which the regional planning authority was established and every reference to the "Melbourne Metropolitan Planning Scheme" were a reference to any planning scheme or interim development order of the regional planning authority."

(10) After section 14(4) of the Geelong Regional Commission Act 1977 there shall be inserted the following sub-section:

"(4A) Notwithstanding anything in this Act or the Town and Country Planning Act 1961 the provisions of sections 59AA to 59AE of that Act shall apply with such adaptations and modifications as are necessary to and in relation to the Commission, the preparation and submission for approval of any local development scheme by the council of any municipality and the enforcement and carrying out of any such scheme in relation to the Geelong region as if every reference in those sections to the "Board of Works" were a reference to the commission, every reference to the "metropolitan area" were a reference to the Geelong region and every reference to the "Melbourne Metropolitan Planning Scheme" were a reference to any planning scheme or interim development order of the Commission.".'

This amendment seeks to extend the provisions of the local development scheme to the non-urban areas. The provision relates to the amendments to the Geelong Regional Commission Act and the second provision ensures that the schemes are implemented in areas outside the Melbourne metropolitan area.

If these local development schemes are a good thing, they ought to be extended to country areas. They have their merits, and their use ought not to be restricted to the metropolitan area, as provided in the Bill. If this amendment is passed, the schemes will apply to regional planning authorities as well as to the Geelong area under the Geelong Regional Commission Act. Members of the Opposition believe there is good cause to take this into country regions.

Mr LIEBERMAN (Minister for Planning)—The Government cannot accept the amendment proposed by the honorable member. It has the effect of introducing into existing regional planning authorities in Victoria a system of local development schemes which are deemed to be appropriate to the metropolitan area. The metropolitan area has been the subject of detailed planning since 1954, and in some respects it can be described as sophisticated detailed planning. Regional authorities are in their early days and at various stages in their strategy and plans, and the Government believes the time for dealing with these provisions will be after the authorities have had further opportunity of doing their work. The Government intends to review the regional authorities, their make-up and their objectives, and to look at what modifications will be required when they have completed those tasks.

The amendment was negatived.

The clause was verbally amended, and, as amended, was adopted.

Clause 22 was postponed.

Clause 23 was agreed to.

New clause A

Mr CAIN (Bundoora)—I move:

Insert the following new clause to follow clause 10:

'A. In section 19A of the Principal Act after sub-section (6) there shall be inserted the following sub-sections:

"(6A) Where the hearing of any proceedings has been commenced or completed by a division of the Tribunal but, before the appeal has been determined one of the members of the division ceases to be a member of the Tribunal or ceases to be available for the purposes of the proceedings—

(*a*) where the parties so agree, the hearing and determination may be completed by the remaining member or members of a division; and

(*b*) where the parties do not so agree, the proceedings shall be re-heard by a division of the Tribunal.

(6B) Where a division of the Tribunal constituted by two members (neither of whom is the chairman) completes the hearing of a matter but does not decide the matter because the members do not agree on the decision, the proceedings shall be re-heard by a division of the Tribunal.

(6C) Where proceedings are re-heard by a division of the Tribunal the division may, for the purposes of those proceedings, have regard to any record of the earlier proceedings."

This proposal simply picks up a similar provision which was in the Bill introduced by the Government last year. That Bill was not proceeded with and lay on the table. The present Bill is the result of submissions made and consideration given to the earlier Bill. The new clause provides that the parties may, by agreement, on any hearing before the tribunal, accept or adopt so much of a previous hearing that has taken place as they wish, in the event of a member of the tribunal ceasing to be available. This is a sensible provision because it simply enables the parties to avoid spending further time and money in the fresh hearing going over matters already decided by the earlier body.

New clause B adds a new sub-section after section 21 (6), which provides that certain sections of the Evidence Act shall apply so that the tribunal can carry out its functions, call and subpoena witnesses and administer oaths to those witnesses it sees fit. This sort of power is needed to entrench the authority and the independence of the tribunal. There have been instances where the tribunal has been unable to bring or has experienced extreme difficulty in bringing before it the evidence that it desired. Probably the most spectacular example of that was in the recent appeal involving what became known as the penguin parade at Phillip Island, where a witness who was presented by the department to give evidence was not the witness the tribunal wished to hear on the matters put before it. It wished to hear a field officer who it believed could give the best evidence on technical matters. There was some difference of opinion between the Minister for Conservation and the tribunal as to whether this witness should be made available. In the end I believe the tribunal won, and the witness appeared.

The amendment ensures that the integrity of the tribunal in the way it conducts affairs will be protected. At present members of the Opposition are not satisfied with this. The tribunal is left in the situation where it often has to take what it might regard as second best. It is a *quasi* judicial tribunal and it ought to have the protections and powers and authorities that the Evidence Act gives. The tribunal ought not to be inhibited or restricted in calling before it those persons it believes can assist it in the work it does.

Mr LIEBERMAN (Minister for Planning)—As the honorable member for Bundoora correctly states, the new clauses are in line with a provision con-
Bundoora correctly states, the amendments are in line with a provision contained in the Town and Country Planning (General Amendments) Bill which was introduced in Parliament in 1978 and allowed to lie over.

I have already given notice of a planning appeals board Bill which will be introduced by me, it is hoped, next week. That will give effect to one of the principal recommendations of the BADAC Committee that an appeals board be established to hear all appeals presently heard by the separate bodies, including the Town Planning Appeals Tribunal. This Bill will impose provisions with a similar purpose to that sought by the honorable member for Bundoora. That is the preferable manner of dealing with the matter because the Bill specializes in the appeals tribunal system.

Mr CAIN (Bundoora)—All I can say in response is that my understanding of the proposed time-table is that the new body will not be acting before the middle of next year at best. Even if it is only for six months, these provisions are valuable in the period during which the existing body continues to function. It does not require any exercise of ingenuity to do anything about it if the measure is passed. It gives to the tribunal the powers it has sought, and the Government saw fit to give those powers to the tribunal in an earlier Bill. The tribunal ought to have the benefit of them for up to six months or a year.

The new clause was negatived.

New clause B

Mr CAIN (Bundoora)—I move:

B. In section 21 of the Principal Act after sub-section (6) there shall be inserted the following sub-section:

"(7) The provisions of sections 14, 15, 16, 20 and 20A of the *Evidence Act* 1958 and of the rules and orders made under section 20(4) of that Act shall, subject to the rules, apply to and in relation to the Tribunal and proceedings of the Tribunal as if the Tribunal were a board appointed by the Governor in Council and as if the chairman of a division of the Tribunal were the chairman of such a board.".'

The new clause was negatived.

New clause C

Mr CAIN (Bundoora)—I move:

Insert the following new clause to follow clause 13:

'C. (1) In section 26 after sub-section (2) there shall be inserted the following sub-sections:

"(3) The Secretary for Planning shall keep a register of—

(*a*) all applications made under sub-section (1) for the revocation of the whole or any part of an interim development order; and

(*b*) all applications made under sub-section (1) for the amendment or variation of an interim development order—

and where such application has led to the revocation of the whole or part of the interim development order or the amendment or variation of the order, a reference to the notice of revocation amendment or variation thereof published in the *Government Gazette*.

(4) The register shall be open for inspection by the public during ordinary office hours free of charge.".'

This new clause is to follow clause 13. It provides a requirement that the Secretary for Planning shall keep a register of applications made for either revocation of the whole or any part of an interim development order or for any variation or amendment to that order. This proposal again picks up a similar provision to the Bill introduced by the Government last year. It was introduced for good reasons which still prevail. This provision should be included in the Bill.

Mr LIEBERMAN (Minister for Planning)—This provision was included as clause 21 in the 1978 Bill. The reason the Government does not seek its inclusion in this Bill is that the matter is under review, in relation to the BADAC recommendations concerning the future structure of the Ministry of Planning and the Town and Country Planning Board. Indeed, in recent days I received the first report of the Public Service Management Review Committee which has been working with me in examining the role and structure of the Ministry and the board. The position should be left until a decision is made, which, it is hoped, will be early in the New Year, on the structure and the administration methods of the Ministry. I am sure the honorable member for Bundoora would welcome that.

I have decided to introduce, administratively, a register into the Ministry for Planning, which will operate early in 1980, because I want to know how it will operate on a pilot-scheme basis so that a decision on the wording of the legislation on that system can then be made in the light of the experience and the decision on the BADAC recommendations.

The new clause was negatived.

New clause D

Mr CAIN (Bundoora)—I move:

Insert the following new clause to follow clause 16:

'D. In section 32 after sub-section (7) there shall be inserted the following sub-sections:

"(8) The Secretary for Planning shall keep a register of—

(*a*) all applications made under sub-section (4) for the revocation of the whole or any part of a planning scheme; and

(*b*) all applications under sub-section (6) for the amendment of a planning scheme—

and where such application has led to the revocation of the whole or part of the scheme or the amendment of the scheme, a reference to the notice of revocation or the notice of amendment thereof published in the *Government Gazette*.

(9) The register shall be open for inspection by the public during ordinary office hours free of charge.".'

This is a similar provision to that contained in the previous new clause I moved except that this provision relates to an application with respect to the planning scheme, but the earlier provision related to the interim development orders. I adopt and endorse the remarks I made about that earlier provision, for this provision, and commend it to the Committee.

Mr LIEBERMAN (Minister for Planning)—I adopt the remarks I made on the previous new clause and no not at this stage support the proposal.

The new clause was negatived.

Mr LIEBERMAN (Minister for Planning)—I propose that progress be reported, in accordance with the agreement announced earlier.

Progress was reported.

PERSONAL EXPLANATIONS

Mr CRABB (Knox) (*By leave*)—I wish to make a personal explanation. At page 5277 of *Hansard*, book no. 18, which has just come into my hands, there is a report of a question asked in another place, in which the Honorable Glyn Jenkins has misrepresented me maliciously. He told members in another place that three members of the Opposition, Messrs. Simpson, Crabb and Cain, had released to the press information contained in documents which were laid on the table of the Library by the Treasurer and then categorized that alleged action as being gross and deliberate abuse of the rules, and so on.

The fact is that I had not even seen the documents tabled in the Library until after the contents of those documents had been printed in the newspapers. I acquainted Mr Jenkins of that fact soon after he made the allegations in the House, but he has not seen fit to withdraw them. I wish to draw to the attention of my colleagues in this place that that is the act of a coward and a rat.

The SPEAKER (the Hon. S. J. Plowman)—Order! I ask the honorable member to withdraw that remark.

Mr CRABB—I withdraw.

Mr CAIN (Bundoora) (*By leave*)—I have a personal explanation to make about the same matter. I did not at any time obtain information from the Library in regard to the matter referred to. The only knowledge I had of the matters was that I saw the list that had been prepared and copied from material deposited in the Library. On this matter, I did not release or hand any information to any other person.

The SPEAKER (the Hon. S. J. Plowman)—Order! I would like to point out to the House that personal explanations are a presentation of facts. Comments, allegations, and whatever, are not permissible under personal explanations, and I ask honorable members to remember that in future.

TRANSPORT REGULATION (CAR POOLS) BILL

The debate (adjourned from November 1) on the motion of Mr Maclellan (Minister of Transport) for the second reading of this Bill was resumed.

Mr CRABB (Knox)—The Opposition welcomes this Bill relating to car pooling. It is welcome for a number of reasons, not least of which is that it is a change of mind for the Government and one that the Opposition has argued for over a long period. It is only two years ago that the Government steadfastly refused to consider a motion by the Opposition to achieve the same aim as this Bill. The Government appears to have seen the error of its ways and is at last following the Opposition's suggestion.

It has, up to now, been a crime for one person to give another person a lift in exchange for the cost of petrol. The only thing wrong about this Bill is that it has taken so long to get as far as this.

On a number of occasions I recall my predecessor, the spokesman on transport for the Opposition, Mr Barry Jones, introducing a private member's Bill. The last time that a car pooling legalization Bill was brought to this House—its purpose concerned only the legalization of car sharing—the Opposition moved an amendment and the Government refused to consider it. I am pleased that the Government has changed its mind, but I foreshadow that I will be moving a number of amendments during the Committee stage and I will leave it to my colleague, the honorable member for Albert Park to comment further on the Bill.

Mr WALSH (Albert Park)—I join with the honorable member for Knox in welcoming this Bill. There is no doubt that car pooling has been going on for years, and people have been getting lifts from others and paying the cost of the petrol. I am surprised that no one has been charged with this offence. The position needs to be clarified and the Bill is certainly accepted by the Opposition.

One has only to look at the number of cars on the road that are driven to and from work. The average load is 1·8

people per car, and a vast amount of fuel is consumed by these cars. They also create air pollution, and the travelling time to and from work is increased because of the number of cars on the road. If car pooling is successful, and if an average of three people travelled in a car to and from work, the energy consumption in this State would be reduced by at least 15 per cent, the travelling time to work would be reduced by about 35 per cent, and air pollution would be reduced by approximately 15 per cent, so it can be seen that it is in the interests of the State that this Bill should be passed. That is why the Opposition joins with the Government in approving the Bill.

There are a couple of problems with the Bill and as the honorable member for Knox has indicated, he will move some amendments during the Committee stage. These amendments pertain to insurance claims. There is a danger that where an accident occurs causing damage to one's own car or somebody else's, if money has been accepted for petrol or repairs to a vehicle, the insurance company which has the comprehensive cover will not pay the claim. No doubt the honorable member for Knox will explain this during the Committee stage.

The Opposition welcomes the Bill. The only problem is that it does not go far enough to cover anomalies.

The motion was agreed to.

The Bill was read a second time and committed.

Clause 1 was agreed to.

Clause 2 (Car Pooling)

Mr CRABB (Knox)—I move:

Clause 2, line 18, after "any other Act" insert "or any contract of insurance".

The purpose of this amendment is to make it clear beyond any doubt that insurance contracts cannot be affected—abrogated I believe is the word—by virtue of a car pooling arrangement. It has happened that people have not been able to claim comprehensive insurance benefits because of a clause in comprehensive insurance policies.

The clause would allow the insurance company not to pay the amount of insurance where the vehicle is being used for gain or reward. That has been interpreted as receiving a share of the cost of petrol as payment or reward. That is the reason the Government has put forward in the past for not legalizing car pooling.

It does not affect third-party insurance, because the Opposition asked the opinion of the Insurance Commissioner and was informed categorically that car pooling had no effect on third-party insurance, but it does have an effect on comprehensive insurance. A Bill which was introduced in the Upper House on about the last day of the last sessional period of Parliament went some way towards validating car pooling on days of transport emergency. In that Bill, with which the Government did not proceed, similar provision was made to that proposed in this amendment to the principal Act—that contracts of insurance cannot be invalidated by reason of the car operating for hire or reward only to the extent of being used pursuant to a car pooling arrangement. I commend the amendment to the Committee.

Mr CRELLIN (Sandringham)—I note with interest the matter put forward by the honorable member for Knox and suggest that the Government give serious consideration to accepting it. I can understand the honorable member for Knox making that suggestion, because one of the things that needs to be made known to people who are likely to use their cars in car pooling arrangements is the insurance aspect. They ought to consult with their insurance companies to make sure that the company is informed of the proposed use.

I have it on reliable authority from the Insurance Council of Australia that it has recommended that its members take note of the situation. The council offers no real objection to the proposal, nor does the Royal Automobile Club of Victoria insurance company. However, other companies may need to be

advised. Accordingly, I see no real objection to the Government's accepting the proposed amendment.

Mr MACLELLAN (Minister of Transport)—In a spirit of friendly co-operation, having examined the proposed amendment, I believe the Government should accept it even if it is an excess of caution. It may be that it now will have the effect of destroying the advantage which those insurance companies which might adopt a reasonable approach may have over those that do not. However, for the sake of clarity for those who wish to engage in car pooling activities, it would probably be a good idea.

I will spare my comments on the remaining amendment to be proposed, which I expect may not receive the same gracious reception.

The amendment was agreed to.

Mr CRABB (Knox)—I move:

Clause 2, line 20, after "agreement" insert "or pursuant to a charitable activity".

I foreshadow that later I will move an amendment to include a definition of "charitable activity". The purpose of the proposed amendment is to try to cover a situation which in the Opposition's view is analagous to car pooling, and that is the situation of meals-on-wheels drivers, voluntary drivers for the Red Cross and people who assist voluntary welfare agencies. Because the price of petrol has increased markedly in recent years, it has become the custom for the Red Cross and municipalities to make a contribution towards the petrol costs of the people who voluntarily use their vehicles for those purposes. As the law stands, that is illegal because they are driving their cars for gain or reward under the provisions of the Act. I know of one case of a lady whose car was written off in an accident while she was delivering blood supplies for the Red Cross. She tried to claim on her insurance cover but was unsuccessful. I do not know which company was involved, but it took a pretty brutal approach. Nevertheless, at present the insurance policies may be invalidated by the fact that the car is being used for meals-on-wheels, for example. Certainly, under the principal Act that is against the law, but it is a charitable activity as I understand it.

I appreciate that there may be some difficulty in defining the words "charitable activity". The Opposition's Bill committee tried to phrase a suitable definition that would fit the Bill. The Opposition discussed it with Parliamentary Counsel with the intent of broadening the provision to cover an area which I believe will present an increasing problem as the price of petrol continues to rise. I read in the press today that it is estimated that the cost of petrol will rise by 6 cents a litre early in January—in a few weeks' time. It is coming to the stage where people will not volunteer to drive for the meals-on-wheels service unless they receive some contribution towards their fuel costs. If that is to be illegal and will abrogate their insurance entitlement, voluntary agencies will experience real difficulties. I commend the amendment and the next foreshadowed amendment.

Mr MACLELLAN (Minister of Transport)—The Government is not able to accept this proposed amendment, but not because I do not appreciate the point made by the honorable member for Knox; I can now see what he is talking about by way of a problem. I give an undertaking to the honorable member that the Government will examine the matter carefully, but I would need to have consultations with my colleague, the Minister responsible for insurance, and we ought to obtain advice on the subject from the Insurance Commissioner. I am afraid my knowledge of law is not good enough to enable me to pluck an opinion out of the air at short notice. That is not the fault or problem of the honorable member for Knox; it is my task to redraft the Bill in this way. It is intended to achieve the purpose of allowing car pooling.

I do not argue that there might not be circumstances such as those which the honorable member described, where a charitable or volunteer worker may find himself in difficulty under an insurance policy. If that is the case,

perhaps we ought to legislate specifically to correct that position in respect of the charities and define those charities carefully so that we know exactly what we are talking about on the basis that there is some element of premium that must be considered. One imagines that these risks would be rare, but nevertheless I suppose every risk is rare and the totality of them decides the premium. The honorable member for Knox would probably know more about that than any other honorable member because of his occupation prior to his entering Parliament.

I accept the spirit and thrust of the honorable member's remarks, but regret that I am not able on the spot to accept the proposed amendment. However, I will, firstly, examine it while the Bill is between here and another place, even though that may be but a short time, and, secondly, I will ask my colleague, the Minister of Labour and Industry, who is responsible for insurance matters, to contact the Insurance Commissioner for advice on whether these are the appropriate form and words to be used; whether it ought to be done as an amendment to another Act or if it would be better to draft a specific Bill for the purpose. If the honorable member is happy to accept that proposition, I will undertake to make those arrangements as soon as I can with my colleague, the Minister of Labour and Industry.

Mr CRABB (Knox)—I appreciate what the Minister has said. I apologize for not providing him with a copy of the proposed amendments. They have been drafted for a while but there have been so many transport Bills that it has been difficult to work out which is which. I apologize to the National Party for the same reason, although I do not know whether its members would have read the amendments anyway.

I appreciate what the Minister has said and on the basis of his undertaking to review the matter to ascertain the best way of solving the problem I have described the Opposition will not proceed to divide on the amendment. However, it expects the early introduction of the necessary amending legislation. It has taken a long time to get car pooling legislation on to the statute-book after a number of fits and starts—just like some cars—but I would not like the Red Cross drivers to suffer the same fate as other car drivers, but on that basis the Opposition is happy with the undertaking given by the Minister.

The amendment was negatived, and the clause, as amended, was adopted.

The Bill was reported to the House with an amendment, and passed through its remaining stages.

RAILWAYS (BOARD) BILL

The debate (adjourned from November 20) on the motion of Mr Maclellan (Minister of Transport) for the second reading of this Bill was resumed.

Mr CRABB (Knox)—This Bill has been introduced for the purpose of establishing a position of Deputy Chairman of the Victorian Railways Board and, I understand, in the next Bill to be considered, a position of Deputy Director of Transport is to be established. This seems to be the night of the deputies, which is of some concern, considering the nature of the Bill being considered.

What is a deputy chairman? It is made quite clear in the second-reading speech of the Minister that it will be a full-time position. I know what the Deputy Leader of the Opposition and Deputy Leader of the Government do, but I am wondering what the Deputy Chairman of the Victorian Railways Board will do, just as I am wondering what the Chairman of the Victorian Railways Board does.

I consider the stage has been reached where the Minister has stated that there is a problem and some bureaucrat, who is really—perhaps I should not go into the area of personalities but just state that the Government has a structure that is not producing the goods which the Government wants. Each day 30 per cent of the trains are late and VicRail loses a fortune. What does the Government do? Instead of grasping the nettle and finding a solution to the problem, it just appoints a deputy chairman.

The present chairman, Mr Gibbs, might be a little frightened about this and perhaps he ought to be, but it seems to me the House may be creating a problem by passing this measure rather than alleviating the problem, because the Victorian Railways Board is not producing the goods, and it does not seem to be any closer to finding a solution, but now a deputy chairman is to be appointed.

I should like an assurance from the Minister that the deputy chairman will not be given his own private rail car, like the chairman, and there will not be an extra chauffeur driven car, as for the other eleven members. The Victorian Railways Board has more chauffeur driven cars than any other instrumentality—they probably need them because 30 per cent of the trains are late all the time.

The Opposition does not intend to oppose the Bill if it is the desire of the Minister to appoint one of the members of the Victorian Railways Board to be the deputy chairman. If that is to be the Minister's way of solving the problem he has with Mr Gibbs, then the best of luck to him.

There are a couple of amendments which I shall foreshadow at this stage although I will not repeat the arguments in support of those amendments. The Opposition believes the Victorian Railways Board, as it is presently constituted is not fully representative of the people it ought to represent. I refer to those people who travel on the trains and who work for VicRail—honorable members have heard the arguments before.

The other matter I raise is that I know of no reason why there should be a chairman and a deputy chairman of the Victorian Railways Board who are full-time employees. It does not seem necessary.

In most public companies, the members of the board elect their own chairman and that person is the chairman of the meeting and the full-time employee is the managing director. That is the situation which I believe was envisaged in the Bland report when it recommended that VicRail should be restructured on a commercial basis.

Mr Trewin—That was a few years ago.

Mr CRABB—Yes, but the restructuring only went to the point of abolishing the positions of the three railway commissioners and establishing an eight-man board and everything else has remained the same and now there is to be an office of deputy chairman.

I cannot help but suspect that there is a deep motive behind this move, but I would probably be ruled out of order if I speculated on what that deeper motive was, especially at 1.45 a.m.

The motion was agreed to.

The Bill was read a second time, and it was ordered that it be committed.

Mr CRABB (Knox)—I move:

That it be an instruction to the Committee that they have power to consider a new clause to provide that of the persons who form the Victorian Railways Board two shall be employees of the Board nominated by the Victorian Trades Hall Council and two shall be regular train travellers.

The motion was agreed to.

The Bill was committed.

Clause 1 was agreed to.

Clause 2 (Amendment of No. 6355 s. 50 (1))

Mr WALSH (Albert Park)—The clause provides:

In section 50 (1) of the Principal Act for the word "eight" there shall be substituted the word "nine".

There is no doubt that the eight members who now constitute the board do not represent the people who normally travel by train. Possibly two of the eight members of the board might have had some relationship with the railways. One of those is Mr Brown, who is a former union official, and the other is Mr Hodges, an electrical engineer. He is now a retired gentleman and is a part-time member of the board.

The other members of the board include Mr Ellis, who is a director of a number of companies, Mr Perrott, O.B.E., who is the principal of a large

firm of architects, Mr Strickland, who is a member of the boards of four companies, Mr Urbahns, who is also a company director, and Mr Wilson, another company director.

The Bill proposes to increase the number of members of the board to nine. The present board is certainly not representative of the people who travel by train and does not contain members who are familiar with the working of the railways. Those matters should be understood by members of the board. The situation should be rectified and the people who use the railways and who work for them should be represented on the board.

Mr B. J. EVANS (Gippsland East)—It was interesting to hear the view expressed by the honorable member for Albert Park. If his view were correct, I would argue that wheatgrowers ought to be represented as they provide the most revenue for the railways. The rail passengers constitute one of the most heavily subsidized sections of the community. It would be like handing over the running of the Department of Community Welfare Services to the people who receive pensions from the department. I cannot see any substance in the argument put forward.

The clause was agreed to.

Clause 3 (Amendment of No. 6355 s. 52 (3))

Mr CRABB (Knox)—I invite honorable members to vote against the clause, which provides for the appointment by the Governor in Council of the deputy chairman of the board. It is the view of members of the Opposition that the board ought to elect its deputy chairman and chairman each year. I expressed that view during the debate on the motion for the second reading of the Bill. After the omission of the clause, I foreshadow that I will move for the insertion of a new clause to provide that the members of the board elect a chairman and deputy chairman each year.

Mr MACLELLAN (Minister of Transport)—The Government is unable to accept the invitation graciously issued by the honorable member for Knox to negative the clause. If I understand the honorable member correctly, clause 3 would be removed and replaced by a new creation. Clause 4 would remain and would still allow for the appointment of a deputy chairman. I should have thought that might create internal conflict. The Government is not moved to accept the proposition and therefore wishes the existing clause to remain in the Bill.

Mr CRABB (Knox)—The Minister does not understand the measure he has introduced, although I suppose he has introduced a great deal of proposed legislation recently and perhaps should be excused. Clause 4, to which the honorable gentleman referred, has no effect on the proposition I have put forward.

Mr Maclellan—You want to take out the deputy chairman.

Mr CRABB—The deputy chairman will still be there but he will be elected by the board, not appointed by the Governor in Council. Section 54 of the principal Act, which is affected by clause 4 of the Bill, deals with the situation that arises when the chairman is sick. It does not make any difference.

The Committee divided on the clause (Mr A. T. Evans in the chair).

Ayes	42
Noes	29
Majority for the clause	13

AYES

Mr Austin	Mr McGrath
Mr Balfour	Mr McInnes
Mr Birrell	Mr McKellar
Mr Brown	Mr Mackinnon
Mr Burgin	Mr Maclellan
Mrs Chambers	Mr Ramsay
Mr Coleman	Mr Richardson
Mr Collins	Mr Ross-Edwards
Mr Cox	Mr Skeggs
Mr Crellin	Mr Smith (*South Barwon*)
Mr Dixon	Mr Smith (*Warrnambool*)
Mr Dunstan	Mr Tanner
Mr Ebery	Mr Templeton
Mr Evans (*Gippsland East*)	Mr Trewin
Mr Hayes	Mr Weideman
Mr Jasper	Mr Whiting
Mr Jona	Mr Williams
Mr Kennett	Mr Wood
Mr Lacy	*Tellers:*
Mr Lieberman	Mr McArthur
Mr McCance	Mr Reynolds
Mr McClure	

NOES

Mr Cain	Mr Roper
Mr Cathie	Mr Rowe
Mr Crabb	Mr Sidiropoulos
Mr Culpin	Mr Simmonds
Mr Edmunds	Mr Simpson
Mr Ernst	Mr Spyker
Mr Fogarty	Mr Stirling
Mr Fordham	Mrs Toner
Mr Gavin	Mr Trezise
Mr Hockley	Dr Vaughan
Mr Jolly	Mr Walsh
Mr King	Mr Wilton
Mr Kirkwood	*Tellers:*
Mr Mathews	Dr Coghill
Mr Miller	Mr Remington

PAIRS

Mr Borthwick	Mr Amos
Mr Hamer	Mr Wilkes
Mr Thompson	Mr Ginifer

The remaining clauses were agreed to.

New Clause "A"

Mr CRABB (Knox)—I move:

Insert the following new clause after clause 2:

At the end of section 52 (1) of the principal Act there shall be inserted the words "of whom two shall be employees of the Railways Board nominated by the Victorian Trades Hall Council and two shall be regular train travellers".

I have already argued the case for representation by employees and train travellers on the Victorian Railways Board. I have argued it often and long and I shall not argue it again.

The Committee divided on the new clause (Mr A. T. Evans in the chair).

Ayes	29
Noes	42
Majority against the new clause	13

AYES

Mr Cain	Mr Rowe
Mr Cathie	Mr Sidiropoulos
Mr Crabb	Mr Simmonds
Mr Culpin	Mr Simpson
Mr Edmunds	Mr Spyker
Mr Ernst	Mr Stirling
Mr Fogarty	Mrs Toner
Mr Fordham	Mr Trezise
Mr Gavin	Dr Vaughan
Mr Hockley	Mr Walsh
Mr Jolly	Mr Wilton
Mr King	
Mr Kirkwood	*Tellers:*
Mr Mathews	Dr Coghill
Mr Miller	Mr Remington
Mr Roper	

NOES

Mr Austin	Mr McGrath
Mr Balfour	Mr McInnes
Mr Birrell	Mr McKellar
Mr Brown	Mr Mackinnon
Mr Burgin	Mr Maclellan
Mrs Chambers	Mr Ramsay
Mr Coleman	Mr Richardson
Mr Collins	Mr Ross-Edwards
Mr Cox	Mr Skeggs
Mr Crellin	Mr Smith *(South Barwon)*
Mr Dixon	Mr Smith *(Warrnambool)*
Mr Dunstan	Mr Tanner
Mr Ebery	Mr Templeton
Mr Evans *(Gippsland East)*	Mr Trewin
Mr Hayes	Mr Weideman
Mr Jasper	Mr Whiting
Mr Jona	Mr Williams
Mr Kennett	Mr Wood
Mr Lacy	*Tellers:*
Mr Lieberman	Mr McArthur
Mr McCance	Mr Reynolds
Mr McClure	

PAIRS

Mr Amos	Mr Borthwick
Mr Ginifer	Mr Thompson
Mr Wilkes	Mr Hamer

Mr CRABB (Knox)—In view of the fact that proposed new clause B was contingent upon the omission of clause 3 of the Bill and the Committee has already determined not to omit clause 3, I do not intend to proceed with it.

The Bill was reported to the House without amendment, and passed through its remaining stages.

MINISTRY OF TRANSPORT (AMENDMENT) BILL

The debate (adjourned from November 28) on the motion of Mr Maclellan (Minister of Transport)) for the second reading of this Bill was resumed.

Mr CRABB (Knox)—This Bill is to appoint a new deputy director to the Ministry of Transport. In his second-reading speech, the Minister indicated that this position was being created because of an additional responsibility in the Ministry of Transport in respect of the allocation of funds. I cannot understand why that requires the creation of an extra position, unless it means that the Treasury will be abolishing a position. Presumably somebody was doing the sums in the Treasury in respect of the allocation of moneys if that responsibility is being moved.

Mr B. J. Evans—Somebody has to handle the fuel tax.

Mr CRABB—The honorable member for Gippsland East is concerned that the deputy director will spend his time working out where to spend the fuel tax. That may be the case, but the point I make is that there are substantial funds. The Minister has quoted the sum of $900 million per annum, which would have have to include the gross expenditure of the railways, not the net. There are substantial funds indeed, but somebody must currently be doing that job in the Treasury.

Mr B. J. Evans—No, they are not.

Mr CRABB—If they are not, I would appreciate someone telling me that, but it is a strange way to run a system. If a position is being created in the Ministry of Transport to do the sums in relation to these allocations, someone ought to be moving out of Treasury. It concerns me that the Minister and the Government are prepared to appoint deputy chairmen and deputy directors across the board, but they are not happy about employing workers in the Victorian Railways. The honorable member for Box Hill snorts.

Mr Maclellan—There are 22 000 of them.

Mr CRABB—That is right, and the number is falling fast, with programmes being undertaken to reduce the number by many thousands more, if what I am told by the people concerned with these matters is true.

Mr Maclellan—That is New South Wales.

Mr CRABB—If that is happening in New South Wales I do not see that as a justification for the Minister's position on this matter. The Government is appointing more chiefs and sacking all the Indians. Not so long ago I demonstrated that there were reasonable indications that the Melbourne and Metropolitan Tramways Board had rather too many chiefs in proportion to the number of Indians. One cannot get those sorts of figures from the Victorian Railways because the annual report of that body is the most disgraceful document presented to any Parliament in terms of reporting on expenditure and on what happens. It is remarkable for the paucity of information it contains. In recent years, it has contained less and less information, despite the fact that the railways is costing the people of this State some $160 million because of loss or revenue deficit or whatever it cares to call it.

Because of that this Parliament is not in a position to scrutinize adequately what is going on in the Victorian Railways but from observation of the railways it appears that there is a heavy degree of bureaucracy in its upper echelons. There seems to be a malaise that goes right through transport bureaucracies, and I do not know how the creation of a new position at the top of the Ministry of Transport will assist in any way. It is not the intention of the Opposition to oppose this Bill if this is what the Minister wants to do. If the honorable gentleman cannot do what he wants with the staff that he has inherited from his predecessor and he finds it necessary to appoint deputies, well be it, but nevertheless I draw to the attention of the Minister and the House the contrast between the alacrity with which the Minister is appointing highly paid people at the top of the bureaucratic structure and the way he is cutting down the number of jobs in the lower echelons of the system.

The motion was agreed to.

The Bill was read a second time, and passed through its remaining stages.

MARINE (AMENDMENT) BILL

The debate (adjourned from October 10) on the motion of Mr Austin (Minister of Public Works) for the second reading of this Bill was resumed.

Mr STIRLING (Williamstown)—The Bill proposes a number of important amendments to the Marine Act. The major part of the measure deals with proposals to enable the adoption and implementation of a national uniform shipping laws code. This was agreed to, as the Minister said in his second-reading speech, by the Ministers of the

Marine and Ports Council of Australia. The Minister also mentioned that this has been under consideration for a number of years by the Association of Australian Ports and Marine Authorities. The Bill proposes additional powers for the Marine Board in respect of the making of regulations to cover such matters as the construction of ships, the approval of plans and specifications, material standards, crew accommodation which is important, the standards of safety and the installation of radio and telegraphy equipment.

Also in his second-reading speech the Minister referred to the provision of some training facility for persons to achieve higher qualifications. The honorable gentleman said that it would be possible for a person to progress from the lowest to the highest level of qualification required for manning of such vessels, that curricula are in the course of preparation by the Education Department and that some courses are expected to be available during the 1980 calendar year. I ask the Minister whether he can advise where this is likely to take place. I have inquired and I have not been able to obtain any information about where it will occur, what sort of course will be available and to whom.

The Bill intends to seek revalidation of certificates of competency every five years. At present a certificate of competency is valid indefinitely. The provision contained in the Bill will mean a tightening up, in that people will be required to front up every five years for a revalidation of their certificates.

I draw attention to the fact that although the people who will be affected by this Bill and who are required to have certificates of competency are probably the most competent boat users in Victoria, many thousands of amateur boat operators in Victorian waters need no such qualification. I have raised this matter in the House on several occasions and make passing reference to it again now. There seems to be an anomaly. I notice that the recent report of the Port Phillip Authority refers to this matter and expresses concern that some sort of licensing should be introduced for amateur boat operators.

The main purpose of the Bill is to implement these sections of the national shipping law code. It might be appropriate to mention the history of the Marine Act which is quite interesting. In 1851, the colony of Victoria saw the urgent need for marine legislation. At that time the increase in shipping through the discovery of gold and so on led to the introduction of the Steam Navigation Act. Subsequently this covered what the Marine Act of today covers—the examination of officers, the issuing of certificates and so forth, including the pilot service. Eventually it was consolidated with a number of other Acts covering the ports and harbors, and finally, in 1890, the Marine Act came into being.

Two or three points could perhaps be made during the Committee stage. The Opposition does not oppose the Bill.

Mr B. J. EVANS (Gippsland East)—My interest in the Bill stems mainly from its effect on the fishing industry. Although I appreciate that it is designed to meet the needs of shipping generally, there is no question that it will have its impact on that industry. From discussions I have had with people involved in the industry I have found that they raise no great objection to the Bill but they are concerned about the requirements for medical examination in relation to the granting or renewal of a certificate of competency. They have pointed out that it seems rather hard on people involved in that industry that they could be required to undergo a medical examination the outcome of which could jeopardize their livelihood. I do not know of any other occupation where this sort of requirement is placed on people; yet, there is no doubt that in many instances people's lives are at risk and dependent on the health of others such as taxi drivers, bus drivers or even train drivers. No requirement is placed on people engaged in those occupations to

undergo periodical medical examinations to enable them to continue in their occupation.

There appears to be no history of any real need for this requirement, especially so far as the fishing industry is concerned. Most of the vessels involved under the rules are manned by crews, some of whom have the competency to get a vessel out of trouble should sudden illness affect the skipper. It appears harsh that a requirement of this type should be imposed.

There is perhaps some justification for eyesight tests to be required. The people within the industry, with whom I have spoken, have indicated that they have no objection to the provision. Nevertheless, it could well be that someone who has been engaged in the occupation for many years may be colour blind but has been able to successfully cope with that disability without any danger or problems arising.

I wish to know the rationale behind the move to require the people concerned to submit themselves to a medical examination. Apart from that, I agree with the comments made by the honorable member for Williamstown concerning requirements placed on commercial operators when, almost every week-end when the weather is suitable, literally hundreds of private craft venture out to sea, the owners often taking friends with them on fishing expeditions without any requirements, control or jurisdiction over them. Over the years, this group has got into trouble more frequently than the professionals.

I support the comments by the honorable member for Williamstown that this area needs to be examined. Simply because fishermen are not operating professionally does not reduce the need for special surveillance of their activities.

The people for whom I am particularly concerned have no objection to other parts of the Bill and I hope the Minister can give some assurance concerning medical examination to ensure that those who have been engaged in the industry, perhaps for a lifetime, will not suddenly be put out of the industry because of some medical requirement when no real disability affects their capacity to operate a fishing vessel.

Mr AUSTIN (Minister of Public Works)—I thank the honorable members for Williamstown and Gippsland East for their comments on the Bill. The main query raised by the honorable member for Williamstown referred to courses which are to be undertaken by the persons engaged in the industry. I understand that those courses will commence next year at the Royal Melbourne Institute of Technology.

The honorable member for Gippsland East raised a matter which has also been raised with me by the people in the fishing industry relating to medical examinations. This matter has caused me some concern. The reason for the proposed change in the law on medical examinations to extend such examinations to eyesight and hearing is because of the thrust towards a uniform shipping code for Australia. There is still doubt as to what action the other States will take.

If in fact other States do not decide to introduce legislation to impose medical examinations on the commercial fishing industry, then I can give an assurance that Victoria will not impose that requirement on the industry. I also give an undertaking that before such imposition full consultation will be held with the fishing industry and that there is no intention to impose medical examinations on those people already in the industry. It will merely relate to new entrants coming into the industry. The idea is to allow them to be free to move from one area of the shipping industry to another. I thank both honorable members for their contributions.

The motion was agreed to.

The Bill was read a second time and committed.

Clauses 1 to 4 were agreed to.

Clause 5 (Constitution of Marine Board of Victoria)

Mr STIRLING (Williamstown)—This clause relates to the composition of the Marine Board of Victoria. The Seamen's Union of Australia has informed me by letter—I have discussed this with the

Minister—that it considers that provision should be made in the Act for proxy representation because, on some occasions members of the board are not, for various reasons, able to be present and if a board member is so absent any point that perhaps should be considered by the union cannot be put forward. One must remember that the secretary of the Seamen's Union of Australia is a member of the Marine Board. I ask the Minister to consider the request.

Mr AUSTIN (Minister of Public Works)—I cannot give a decision on that request at the moment, but I will consider the matter.

The clause was agreed to, as were clauses 6 and 7.

Clause 8 (Regulations)

Mr STIRLING (Williamstown)—The clause deals, firstly, with inserting regulating-making powers for the board on certain matters including the construction of ships, the approval of plans and so on. At the moment periodical surveys by marine surveyors are required on certain types of vessels. The implementation of those regulating powers will increase the workload of the surveyors. In answer to a question on 9 October 1979, reported at page 2977 of *Hansard*, the Minister stated that in 1978 some 2336 surveys were carried out. There will be a considerable increase in the work load and I wonder what provision will be made so that there is no shortage of qualified people to carry out these extra duties.

Clause 8 also deals with the safety manning committee. The composition of this committee is not spelt out in the Bill. The Seamen's Union of Australia says that because it is involved and understands the safety and the manning of ships, there should be a representative from either the Seamen's Union of Australia, the Merchant Service Guild, or one of the other seamen's unions, on this committee.

Mr B. J. EVANS (Gippsland East)—I thank the Minister for his comments in relation to medical examination requirements under this Bill. I find it strange that he should express the opinion that there are some doubts about the attitudes of other States to this aspect. His main argument was based on the need for unanimity. In time to come, when other State Parliaments are considering similar legislation, they may have the same reservations and legislate to include this provision simply in the interests of uniformity. I should have thought this aspect would have been thrashed out with the other States and, in the interests of unanimity, everyone would be in full agreement one way or the other.

I am surprised that the Minister expressed doubts about these provisions, but I am assured by his comments that these requirements are only to be placed on new entrants. On that basis I can see no objection to the medical examination aspects in the Bill.

Mr AUSTIN (Minister of Public Works)—I note the remarks made by the honorable member for Williamstown and I will examine the extra work load on the Marine Board.

Most of the inspections referred to in this Bill have been carried out before to some degree. The work load may be slightly increased, but that will be looked at as time unfolds, and a decision will be made at a later time whether the work force needs to be altered in any way.

The honorable member for Gippsland East raised the matter of medical examinations. The Marine and Ports Council of Australia, in Darwin some six months ago, and again last week, tried to resolve this matter of medical examinations, but there are still doubts among some States on which way they are going to move.

The implementation of medical examinations is to be done by regulation, and that will not happen unless the other States decide to impose those medical examinations. It is a little unclear at present because it has not been possible to get the other States to agree. I will not be opposing those medical examinations on fishermen in Victoria.

The clause was agreed to, as were the remaining clauses.

The Bill was reported to the House without amendment, and passed through its remaining stages.

HEALTH (PROPRIETARY MEDICINES) BILL

The debate (adjourned from November 1) on the motion of Mr Borthwick (Minister of Health) for the second reading of this Bill was resumed.

Mr ROPER (Brunswick)—This Bill amends Part XIV of the Health Act. It is one of the main ways in which public health matters are properly or improperly supervised in this State. Part XIV provides for the control of foods, drugs, substances and articles. This Bill clearly demonstrates, yet again, the need for a complete review of the Health Act. Most honorable members who have had anything to do with this Act would agree it is a little more than a shambles. It has not been reviewed in any thorough fashion for about 50 years, and it still contains provisions that are antiquated and provisions that no longer meet the modern-day health requirements.

One of the problems that results from having an antiquated Act is that one also has antiquated regulations. The regulations under this Part of the Health Act, and under other Parts of the Health Act are in an unconsolidated form. Most of them are not available to the general public. Some of them are in gazettes. Some of the regulations date back to the 1920s and the 1930s. The regulations under this Act represent legislative shambles, as I mentioned before. However, although it is a shambles, it is an important area. This particular amendment has a long history, and in bringing in the amendment, regretably the Government has amended only a small part of Part XIV.

In the *Age* of 20 April 1977 there appeared an article under the heading "Control Sought on Health Aids". It stated that the Commission of Public Health is seeking the power to ban medical instruments that have no therapeutic benefits for the public. The commission, set up under the Health Act, wanted the Health Act amended to give it control of the sale and advertising of appliances which make therapeutic claims. On that day sun lamps and high frequency machines which were purported to give benefits, but which were completely useless, were being examined. I then made the point that the commission was powerless to prohibit the sale of the machines.

The chairman, Dr B. P. McCloskey, said that amendments were being prepared and were expected to be dealt with in the next session of Parliament. That was in April 1977. In passing one might say that the public health services of Victoria have deteriorated since the abolition early this year of the Commission of Public Health, which performed a valuable service, particularly in remaining open to the public and having the press reporting on it. I do not suggest it should have been retained in its then form, but an alternative should have been provided.

The SPEAKER (the Hon. S. J. Plowman)—Order! The honorable member on the Bill! It is too late in the evening to be digressing.

Mr ROPER—These provisions stem from the public activities and inquiries of the Commission of Public Health, which over the years spent a great deal of time warning the community about all kinds of devices and products that were either unhealthy or unsafe. That form of warning to the community vanished 12 months ago. It also had the advantage of a certain amount of legal protection in what it could say.

Following the article that appeared in the *Age* I placed a question on the Notice Paper and received an answer on 19 October. I asked what reports had been prepared on appliances or medical instruments about which therapeutic claims had been made, and also about related matters of food and drugs. I was informed:

1. On the 6th April, 1971, the Commission of Public Health received a report from the then Assistant Chief Health Officer (Dr B. P. McCloskey) on a survey of therapeutic appliances offered for sale in Victoria. In his report Dr McCloskey recommended certain amendments to the Health Act 1958 dealing with the

therapeutic claims of such appliances and also with respect to the onus of proof of such claims.

2. The commission endorsed the recommendations and consideration is currently being given to the preparation of appropriate legislation.

That was in 1971. The Commission of Public Health received a quite detailed report which was subsequently made available to me by the previous Minister of Health and which was aimed at amending section 249(1) of the Health Act, Part XIV, which would have ensured that any person who intended to promote the sale of any article as a medicine, preparation, product or appliance or for any treatment or course of treatment for the prevention, alleviation or cure of any human ailment or physical defect and contained any statement which was false in any material particular relating to the ingredients and so on, shall be guilty of an offence and shall be liable on conviction to a penalty not exceeding—and the amount of the penalty is left out.

For instance, if a person were promoting a medicine or food and making claims about it which were not correct, or if the food, medicine or appliance were harmful, provision would then be included in the Health Act under which that person could be proceeded against.

It was also proposed that section 299 of the Health Act be amended to read as follows:

With respect to the origin or composition or the therapeutic or nutritive properties or nature or structure or operation of any food or drug or patent medicine or proprietary medicine or product or appliance or course of treatment or to the effects which have followed or may follow the use thereof, shall be on the person charged.

Therefore a person charged with promoting this medicine, food or device which did not come up to expectations or which was dangerous would have to defend himself or herself in the court. That report was dated 18 February 1971.

The Ministry of Health, the Health Commission and its predecessors certainly did not act with what one might call unnecessary speed. A report was made in 1971; in 1977 another report was made, and this is the first sign of any action having been taken.

On 19 April 1978, I again asked the Minister of Health whether any action would be taken on Dr McCloskey's report, and the answer was:

It is the Government's intention to introduce legislation in the next session of Parliament to amend the Health Act to provide for control on the sale and advertisement of therapeutic appliances.

That should have come in in the spring sessional period of 1978. When nothing appeared, I again asked that question on 1 November 1978 and was informed:

It is not possible to indicate precisely when action will be taken on this matter. It was intended that this amendment be included in the Health Bill now before the House but due to certain difficulties in defining procedures for controls the matter has been deferred for consideration in the legislative programme for the autumn session of Parliament.

As we all know, that autumn sessional period never occurred, so again, the Bill resulting from the 1971 report of the Commission of Public Health was not introduced. There has been ample opportunity for proper amendment to be made.

On 9 October this year I received a further answer which stated:

Following consideration of the report referred to by the honorable member I am currently having part XIV of the Health Act reviewed with a view to consolidating the legislation relating to proprietary medicines and contraceptives in one part of the Health Act and to incorporate in this legislation additional provisions to control therapeutic devices.

I do not expect that this legislation will be introduced during the current session.

The Bill deals with one part of that matter but only adds to the shambles that exists in Part XIV. of the Health Act. Whether one likes it or not, the protections that should be there and which the Commission of Public Health accepted nearly a decade ago have still not been provided. The Opposition, at least, has major concerns about the weaknesses of Part XIV. of the Act.

Quite a number of appliances and other items on the market classified as foods or medicines can be dangerous both in themselves and if they are misused. Unfortunately, no legislative

or educative powers are available to the Health Commission to do anything about that.

In a leading article in the *Medical Journal of Australia* of 2 December last year concern was expressed about the proliferation of blood pressure machines and it was pointed out that the National Heart Foundation had become most concerned about this matter for a variety of reasons, not the least of which was the complications that are involved in taking blood pressure and making sure that the machines remained reliable. I asked a number of questions on this matter and the answer I received from the Minister was that a number of machines had been checked and they were being examined by the National Health and Medical Research Council.

Regrettably there is no legislation provision to ensure that can be done. The same situation occurred in the snake-bite kit area where there were warnings from doctors in Perth on the inadequacy of snake-bite kits. I ask a series of questions on those kits and eventually the Minister of Health, between winter and autumn, changed his answer to a question because, clearly, when snake-bite kits were carefully examined, they were found to be not safe.

Mr Whiting—They are not a proprietary medicine.

Mr ROPER—No, but what I am pointing out is that these are matters which should be the subject of an over-all review of the Act, in the same way as was done in relation to pregnancy testing kits.

Mr Whiting—We are only talking about proprietary medicines.

Mr ROPER—The matter the Opposition is raising is that this provision is one small part of a major review that is urgently required.

The SPEAKER (the Hon. S. J. Plowman)—The honorable member has made that abundantly clear. I would like him to now come back to the Bill before the House.

Mr ROPER—In doing something about proprietary medicines, this is only a very small but significant part, as the Commission of Public Health has stated on many occasions.

In reply to the interjection of the Minister for Planning, the Opposition was highly tempted to move a reasoned amendment that this Bill be withdrawn and redrafted to provide for the proposals suggested in 1971 but, in the end, the Opposition decided that any small, even tiny, advance was better than nothing. One only hopes that, while the Minister of Immigration and Ethnic Affairs is acting Minister of Health, he will move along the reviews which are occurring more quickly than any of his predecessors have ever done. Clearly the scope is there for any Acting Minister of Health to make his mark in this area.

The SPEAKER (the Hon. S. J. Plowman)—I have asked the honorable member to come back to the Bill before the House, and that should have been established by now.

Mr ROPER—One of the matters dealt with by the Bill is the relationship between foods and medicine. That is just as difficult an area in law as it is for supervision, but it is one for which we do not have any legislative framework. Increasingly, a whole range of products are being distributed for so-called health reasons. One can think of diet foods and vitamins which are advertised as either restoring health or keeping health. I am sure many honorable members are aware of these products but there is considerable medical doubt about many of these products, particularly when the products are not understood by the people who are using them, or when they have been promoted almost on the basis that if something is good for you in a small way, if you have ten times that amount it must be ten times as good for you. In the vitamin area in particular there could be——

Mr Weideman—Most people believe that about alcohol.

Mr ROPER—I do not know what most people believe about alcohol but obviously the honorable member for

Frankston would be more expert in that area than I. There are many fad diets advertised and promoted which are dangerous to the health of the community, and, hopefully, that area will be caught up under this measure.

Other areas need to be examined in the matter of health foods. In the *Medical Journal of Australia* of 8 September this year, a detailed article appeared on some of the products which are being promoted. It made the point that we are re-evaluating traditional or folk remedies and many of those are coming back into style. Unfortunately, as part of the present movement towards a more natural way of life, there has sprung up a popular craze for health foods which sometimes approaches mania. The article made the point that various forms of tea could have a severe effect on the health of a person and it referred to teas such as Buchu, Quack Grass and Dandelion and teas made from Juniper berries which can cause a variety of gastric irritations. The article also referred to teas made from shade grass or horse tail plants, which are easily advertised but which contain nicotine and various other chemicals and can produce a whole variety of unfortunate side effects.

A variety of toxic effects can result from abuse or over-indulgence in herbs and health foods because their effects are not widely known. Their promotion needs to be examined.

One of the popular health food remedies which demonstrates the inherent danger in both abuse and reliance on the label, is the ancient panacea ginseng. In the ginseng area, even though it is a common product, the tea is not pure enough as it contains impurities and a variety of problems may result.

A study recently undertaken at the University of California studied 133 ginseng users over a period of two years. The variety of effects which were attributable to the chronic use of ginseng included such diverse things as stimulation, anorexia, amenorrhoea, diarrhoea, skin eruptions and edema as well as both hypertension and hypotension and euphoria and depression.

According to the *Medical Journal of Australia,* the explanation was certainly the lack of quality control of the ginseng preparations. Under the legislation, I hope the Health Commission will carry out an examination of the way in which people can, unfortunately, be affected through using impure ginseng or any other similar preparation so the necessary corrective action can be taken. There is no question but that we cannot regard these matters lightly. Whilst the Commission of Public Health has not regarded them lightly, clearly the Government has.

The Bill will enable one small part of the food and drug legislation to be improved. The Opposition wants other measures to come before the House. I refer to a letter sent to the Premier on 24 June 1976 by a committee established by the Premier. The letter states:

> The Committee therefore recommends that the Minister of Health be requested to prepare suitable legislation aimed to prevent anyone offering for sale or free issue, in Victoria, devices with the stated purpose of allowing the sun to be viewed with a guarantee of eye safety.

Other proposals were also made to the Premier and the Minister of Health concerning the introduction of measures covering devices, food and drugs. It is the hope of the Opposition that, after an eight-year delay, there will finally be some activity in this area.

The health surveyors have put forward numerous proposals for legislative reform on foods and medicines but the tightening up of the Act has not occurred. It should occur. Anyone who has had dealings with municipal health surveyors will be aware that their capacity to perform their duties is often significantly reduced.

Mr Weideman—There has been an increase in input recently.

Mr ROPER—There has been a significant increase over the years, but it has been ignored. The Opposition hopes the recommendations of the health surveyors will be paid far more attention by the Government and the Health Commission than has so far been the case.

This small Bill makes one small improvement, but it is to be hoped that all the promises about remedying Part XIV of the principal Act will be carried out and that a Bill will be introduced, as has been promised for each of the last three sessional periods, early in the sessional period, so that interested groups will have plenty of time in which to examine it.

Mr WHITING (Mildura)—The Bill is comparatively small but it is important because it introduces two new subsections to Division 3 of Part XIV of the Health Act. In passing, I agree with the honorable member for Brunswick that the whole of the Health Act needs review and it certainly needs reprinting because of the large number of amendments that have made it difficult to follow.

The real purpose of the Bill is to prevent the possibility of any deregistration of a proprietary medicine being held up for up to ten years, as provided for in the principal Act. If that can be established it will be a help in regard to some of the preparations referred to by the honorable member for Brunswick. The Bill will achieve that aim sufficiently well to allow for fairly quick examination of the substances and checking on complaints about claims for certain products that have been on the market for some time. If that can be done, some progress will have been made.

I express one regret. I am sorry that the Minister of Health cannot be present to take part in the debate, although all honorable members are aware that the Minister is incapacitated and being here to this hour of the morning would not improve any honorable member's condition, let alone that of the Minister.

Dr COGHILL (Werribee)—As implied by the honorable member for Mildura, it is absurd to expect proper consideration of important legislation at 3.10 a.m. on what is still technically Thursday. It is a reflection of the disorganization of the Government's legislative programme that the Bill has been introduced so late in the day.

The SPEAKER (the Hon. S. J. Plowman)—Order! The honorable member must confine his remarks to the Bill.

Dr COGHILL—The Bill highlights the need for a major review of health legislation.

The SPEAKER—Order! I thought I had made it quite clear when the honorable member for Brunswick, who is leading this debate for the Opposition, was covering this subject that the debate—and the honorable member for Werribee has pointed out the time—must be confined to the Bill before the House and should not involve other matters. The honorable member should concentrate on the Bill before the House.

Dr COGHILL—I was making no more than a passing reference. Proprietary medicines were first subjected to health legislation at the time when my grandfather started a chemist shop just after the first world war. That is a long time ago and it is incredible that it has taken so long to bring these provisions into operation when they should have been provided at that time.

The Bill will bring a wide range of preparations and substances under the control of the Health Act and amend the way in which they are controlled. One group of substances that ought to be of concern to honorable members are milk formulas, which are substitutes for natural breast feeding. Honorable members will recall that there was a recent conference in Geneva, convened by the World Health Organization, which highlighted the problems associated with these products. At the conference it was pointed out that these compounds have been promoted, particularly in undeveloped countries but also in developed countries, to the disadvantage of the health of the community, especially the health of the infants who are fed on the compounds.

Mothers are being encouraged to feed their babies with synthetic formulas rather than relying on natural breast feeding. That is occurring not only in undeveloped countries but also in the wealthy countries and mothers

are being persuaded to use these preparations in circumstances in which they are completely unnecessary. The medical facts are that very few mothers are, for medical or physiological reasons, unable to feed their babies adequately by natural methods.

Indeed, this has been recognized as a serious problem not only from the point of view of the health of the babies but also from the point of view of the income level of the families concerned, because family income has been unnecessarily diverted into the purchase of these formulas and that has deprived the families of other goods and services. In Australia, the Nursing Mothers Association has brought this matter into public focus and since it has been active there has been a reversion to breast feeding and a fall in the dependence of the community on synthetic formulas.

I am sure honorable members will agree that by the introduction of the measure and its application in the area of baby milk formulas and the like, the health of the community will be improved, and to that extent the Bill is welcome. As was pointed out by the shadow Minister of Health, there is a need for the extension of the principle of this Bill into many other areas.

Mr WEIDEMAN (Frankston)—The Bill empowers the Minister to take off the market any product which the Health Commission considers is an unsuitable product to be marketed as a proprietary medicine.

In recent years, some simple drugs such as APC and some of the analgesics have been criticized. Some of the recent formulas of cough mixtures have been criticized and these types of substances are now out of favour.

As the shadow Minister of Health suggested, many drug prescriptions are being revised. The same situation pertains overseas. Australia should adopt a national approach to food and drug administration, so that manufacturers, wholesalers and other interested bodies can confidently establish a product which is safe and suitable for use without incurring American-type restrictions. The Minister of Health, upon his return, can take action on products that clearly are not suitable. I wish the Bill a quick passage.

Mr WOOD (Acting Minister of Health)—I thank the honorable member for Mildura for his kind words for the Minister of Health. All honorable members hope the Minister will soon return. There is a need for a complete review of the Health Act and the Government has been constantly amending the Act. The Bill will enable the Minister of Health to exercise powers in respect to substances in compounds which have already been registered as proprietary medicines when those compounds prove to be not as satisfactory as was previously thought.

With regard to the ten-year registration guarantee, whilst it is a necessary safeguard to the manufacturing industry, it can be an encumbrance when it is applied across the board. All honorable members could think of compounds and other medicines which, years ago, were thought to have a therapeutic benefit but today, as a result of research and more knowledge, those medicines do not qualify. The amendment does provide the Minister with the opportunity to review medicines after consultation with the relevant bodies.

The motion was agreed to.

The Bill was read a second time, and passed through its remaining stages.

ADJOURNMENT

Compensation for police widow

Mr MACLELLAN (Minister of Transport)—I move:

That the House do now adjourn.

Mr CRELLIN (Sandringham)—I regret to have to do this but I want to bring a matter to the attention of the Minister of Labour and Industry in the absence of the Treasurer and the Minister for Police and Emergency Services. The matter is the subject of some publicity in an article in the *Age*

of 7 December headed "No Compo for Police Widow". The article details the apparent wrangle that is occurring between the State Insurance Office and the Victoria Police Force in relation to the payment of compensation for the widow of Senior Detective Robert Lane who was killed in the line of duty in New South Wales earlier this year.

If, as the report indicates, the matter is the subject of what can only be described as bureaucratic bungling, Mrs Lane has been put to an unnecessary degree of financial concern and hardship and ought to be treated much more favourably immediately.

If there is some legal problem which needs rectification by legislation, consideration ought to be given in the meantime to the payment of moneys owing by *ex gratia* payment so that Mrs Lane is not subjected to financial hardship. It is a matter of urgency and I ask the Government to take immediate action to overcome the problem.

I want to acknowledge the interest and involvement of the honorable member for Swan Hill who, earlier this year, gave towering support to the raising of substantial moneys in a public appeal for the Lane family. Honorable members will remember that, even in the administration of the law, Mrs Lane has had to wait whilst the matter is dealt with. I have previously raised the matter in the House. Throughout the whole unfortunate experience following the death of her husband, Mrs Lane has been subjected to financial hardship and unnecessary concern.

Mr RAMSAY (Minister of Labour and Industry)—I will take up the matter with the State Insurance Office. It is the Government's intention that, where an uncertainty arises between two or more insurance companies about which company is responsible for a specific compensation payment, that uncertainty should be resolved by the insurance industry without bringing any hardship to bear upon the person to whom the compensation applies.

The motion was agreed to.

The House adjourned at 3.24 *a.m.* (*Friday*) *until Tuesday, December* 11.

QUESTIONS ON NOTICE

The following answers to questions on notice were circulated—

COMMUNITY HEALTH PROGRAMME

(Question No. 385)

Mr ROPER (Brunswick) asked the Minister of Health:

In respect of the Community Health Programme:

1. Whether in this financial year the State has proposed any new service or initiative to the Commonwealth, specifying what service or initiative was requested and with what result?

2. Whether the Commonwealth Government has placed an embargo on new initiatives in this area of health care delivery; if so, to what effect?

Mr BORTHWICK (Minister of Health)—The answer is:

1. The following projects were proposed by the State in 1978–79 for funding in 1979–80 as either new services or extension to existing services:

Domiciliary Care Service Central Region

To expand Royal Park Psychiatric Hospital's responsibilities into the area of community psychiatry, with the primary objective of commencing a domiciliary patient-care service.

Domiciliary Care Services Outer Eastern Region

To establish a team to provide a community follow-up service for patients discharged from Larundel Hospital.

Independence Living Training Centre

For training suitable residents from the Children's Cottages, Kew, for independent living, on a full-time live-in basis at 138 Princess Street, Kew, a property purchased by the Kew Cottages and St Nicholas Parents' Association.

East Bentleigh Community Mental Health Services

To provide psychiatric consulting facilities at the East Bentleigh Community Health Centre, together with a domiciliary nursing service.

Inner Southern Community Mental Health Team

To appoint a community team to provide a comprehensive range of mental health care services in the Caulfield, Prahran, Malvern and Brighton areas.

Ballarat Regional Alcohol and Drug Dependence Association

For the establishment and operation of a regional drug and alcohol referral and educational centre, providing a service for the community in the Central Highlands, Community Welfare Services region, and such other persons who may require assistance.

Children's Cottages Weekend Day Centre

To provide a weekend day centre for retarded children brought in by their parents for the day from the outside community. The proposed centre is one of the "Minus Children Buildings".

Victorian Schizophrenia Fellowship

To assist the fellowship in the provision of its current services.

Foster Grandparents Programme

To assist the Victorian Council On the Ageing in its continuation of the Foster Grandparents Programme scheme which provides handicapped children in institutions with love and affection and individual training.

Ballarat Life-Line

To assist this agency in maintaining its daily activities.

Huntington's Disease Association

To appoint a full-time social worker and to cover the cost of a half-time case aide in the field of Huntington's Disease.

The Victorian Association for Mental Health

To maintain the existence of the association.

Agoraphobia Support Group

To assist this group in maintaining its curcent services to persons who suffer from a high degree of anxiety and who are consequently home-bound, isolated and lonely.

The Addcare Service

To improve and enlarge the ongoing training of volunteer counsellors employed by the Addcare Service.

East Gippsland Community Extended Care Service

Ovens and Murray Community Care Service

Alexander, Castlemaine Community Extended Care Service

Terang Day Hospital

Goulburn Valley Health Centre Complex

Sunshine Hospital and Community Health Service

Ethnic Health Service (Italian Assistance Association)

Ethnic Health Service (City of Melbourne)

The only new services approved for operation in 1979–80 were the Ethnic Health Service (Italian Assistance Association) and Ethnic Health Service (City of Melbourne).

2. This financial year, Commonwealth financial assistance has been provided under the Community Health Programme for continuation of current levels of activity of general community health projects and women's refuges. Subject to certain conditions, new projects or expansions of previously approved projects may be considered for Commonwealth approval under the Community Health Programme. These conditions include one to the effect that the funds for any new projects or expansions of previously approved projects must be found from within the 1979–80 grant already approved for Victoria.

The Commonwealth has offered special funds this financial year, under the Community Health Programme, for sub-programmes to provide (*a*) ethnic health workers and (*b*) health interpreters and translators.

CHARITABLE BODIES

(Question No. 638)

Mr ROPER (Brunswick) asked the Premier:

What action is proposed to adequately supervise charitable bodies which collect funds from the public to ensure that public contributions are spent on the purpose for which they are given?

Mr HAMER (Premier)—The answer is:

I refer the honorable member to the answer given to him by the Minister of Health in his reply to question 637 on 30 October 1979 (*Hansard*, Page 3934) informing him of the action being taken in respect of charitable organizations.

REPORT ON MENTAL RETARDATION

(Question No. 1223)

Mr ROPER (Brunswick) asked the Premier:

In respect of the report to the Premier of the Victorian Committee on Mental Retardation:

1. What recommendations have so far been implemented—(*a*) in full; and (*b*) in part?

2. What recommendations are under consideration and what stage such consideration has reached?

3. What recommendations of the report will not be put into effect?

Mr HAMER (Premier)—The answer is:

1 and 2. With the exception of the recommendation mentioned below in part 3, the Government agrees in principle with the recommendations made in the report. The Health Commission is preparing a plan for implementing this report in stages, and when complete it will be placed before the Minister of Health.

The development of the Loddon–Campaspe Programme in Mental Retardation is an example of what has been done so far and will provide a model for the provision of residential services elsewhere. Already six group

homes have been purchased; one at St. Arnaud, Swan Hill, Mildura and Kyneton, two at Bendigo. A further one is under construction at Echuca.

The establishment of the Mental Retardation Division as the fourth division of the Health Commission is being actively implemented. The positions of director and secretary for this new division have been created and arrangements are currently being made to advertise the positions in Australia and overseas.

As with all major planning exercises, it can be expected that the implementation of the recommendations may change as circumstances and community requirements vary. The implementation will be related to staff and funding resources and the priorities of the Government.

3. The recommendation to establish a separate Office of Mental Retardation will not be implemented and has been replaced by the decision to include its proposed functions within the new Mental Retardation Division of the Health Commission.

RECREATION PROJECTS

(Question No. 1260)

Mr GAVIN (Coburg) asked the Minister for Youth, Sport and Recreation:

1. What are the major sporting and recreation projects in 26 municipalities that will cost $2·4 million this financial year?

2. What were major projects in 1978–79 and their total cost?

Mr DIXON (Minister for Youth, Sport and Recreation)—The answer is:

1. The major municipal projects which received allocations totalling $2 534 800 in 1979–80 are as follows:

Municipality	*Allocation*		*Project*
Metropolitan—	$		
Shire of Bacchus Marsh	50 000		Multi-purpose pavilion at Darley Park
	12 500	loan	
Shire of Bulla	125 000		Sunbury Community Recreation Reserve
	125 000	loan	
Shire of Diamond Valley	62 000		Enclosure and heating of Watsonia High School Pool
	37 500	loan	
Shire of Eltham	50 000		Enclosure of Eltham Leisure Centre Pool
	40 000	loan	
City of Richmond..	125 000		Salvation Army Community Centre
	125 000	loan	
Shire of Sherbrooke	50 000		Talaskia Reserve Pavilion
	2 500	loan	
City of Williamstown	89 000		Grouped Project
	89 000	loan	
Country—			
Shire of Corio	131 000		Additional facilities at Norlane Pool
	119 000	ioan	
Shire of Creswick	50 000		Creswick Oval
Shire of Grenville	50 000		Delacombe Reserve
Shire of Huntly	26 000		Land for Epsom Recreation Centre
Shire of Leigh	12 000		Purchase of Rokewood Golf Course
Shire of McIvor	52 500		Barrack Recreation Reserve, Heathcote
	52 000	loan	
Shire of Mortlake	30 000		Mortlake High School Squash Courts
Shire of Morwell	131 000		Churchill Recreation Centre
	119 000	loan	
Shire of Narracan	37 000		Yallourn North Pool
Shire of Numurkah	39 950		Numurkah Pavilion and Squash Courts
Shire of Otway	50 000		Apollo Bay Higher Elementary School Indoor Recreation Stadium
Shire of Tambo	50 000		Lakes Entrance Youth Club Hall
	50 000	loan	
Shire of Tungamah	54 500		Tungamah Primary School Pool
Shire of Upper Murray	50 000		Corryong Reserve Pavilion
	30 000	loan	
City of Wangaratta	62 000		Yarrunga Pool
	32 350	loan	
Shire of Wannon	50 000		Indoor Stadium at Coleraine State School Reserve
	5 000	loan	
City of Warrnambool	25 000		Completion of Lake Pertobe Development
Shire of Wimmera	8 500		Greenlake Reserve
Shire of Wycheproof	117 500		Community Facility at Sea Lake
	117 500	loan	

2. The major municipal projects which received allocations totalling $2 905 288 in 1978–79 are as follows:

Municipality	*Allocation*		*Project*
	$		
Metropolitan			
City of Box Hill	131 000		Surrey Park Swimming Complex
	119 000	loan	
City of Broadmeadows	131 000		Broadmeadows Town Centre Recreation Complex
	119 000	loan	
Shire of Cranbourne	131 000		Cranbourne Swimming Pool
	119 000	loan	
Shire of Gisborne	56 125		Grouped Project
	22 413	loan	
City of Kew	50 000		Stradbroke Park Pavilion
	27 500	loan	
City of Mordialloc	121 250		Mordialloc Swimming Pool/Squash Centre
	109 250	loan	
City of Port Melbourne	50 000		Grouped Project
City of St. Kilda	60 000		Elwood Park Redevelopment—Stage 2
	60 000	loan	
Country—			
Shire of Alberton	3 750		Port Albert Sea Baths
City of Ararat	23 000	loan	Ararat Y.W.C.A.
Shire of Ararat	62 000		Lake Bolac Recreation Complex
	34 500	loan	
Shire of Avon	48 500		Stratford Primary School Sports Hall
Shire of Charlton	5 000		Completion of Sewerage System, Charlton Park
City of Echuca	62 500		Echuca Recreation Complex
	62 500	loan	
Shire of Goulburn	62 000		Nagambie Swimming Pool
	24 000	loan	
City of Hamilton	21 000	loan	Hamilton Memorial Stadium—Additional Loan
Shire of Mildura	62 000		Merbein Swimming Pool
	25 000	loan	
City of Moe	125 000		Moe Indoor Recreation Centre—Stage 2
	125 000	loan	
Shire of Mortlake	1 000		Mortlake Sporting Complex—Additional Allocation
Shire of Nathalia	65 000		Nathalia Sports and Community Centre
	65 000	loan	
City of Shepparton	131 000		McEwan Reserve Swimming Pool
	119 000	loan	
City of South Barwon	131 000		Belmont Swimming Pool
	119 000	loan	
City of Warrnambool	40 000		Lake Petrobe Development
Borough of Wonthaggi	97 000		Wonthaggi Swimming Pool
	85 000	loan	

NOTE: Loans are interest free for a period of five years and repayable to the department in five equal annual instalments.

DECENTRALIZATION OF GOVERNMENT DEPARTMENTS

(Question No. 1403)

Dr COGHILL (Werribee) asked the Premier:

In respect of the Government's programme to decentralize its departments, instrumentalities and associated personnel:

1. What records of the programme's progress are maintained?

2. What evidence there is of success of the programme over the five years to 30 June 1979?

Mr HAMER (Premier)—The answer is:

1. Surveys of Government agencies were taken in 1973–74 and 1977–78.

2. Data from the two surveys is not fully comparable, but the results of the survey show that the following agencies have increased staff employed outside the metropolitan area over the period 1973–74 to 1978–79:

Department of Community Welfare Services
Education Department
Ministry for Conservation
Ministry of Housing
Department of State Development, Decentralization and Tourism
Department of Youth, Sport and Recreation
Town and Country Planning Board.

In addition, many other Government departments and authorities have always maintained substantial activity and staff in decentralized locations.

CITIZENS' COMMISSION ON HUMAN RIGHTS

(Question No. 1690)

Mr ROPER (Brunswick) asked the Minister of Health:

Whether he has received the recommendations of the Second National Conference of the Citizens' Commission on Human Rights; if so, what action is proposed by the Government?

Mr BORTHWICK (Minister of Health) —The answer is:

1. No.
2. The matter will be considered at the appropriate time.

Legislative Council

Tuesday, 11 December 1979

THE PRESIDENT (the Hon. F. S. Grimwade) took the chair at 2.20 p.m. and read the prayer.

ABSENCE OF CLERK-ASSISTANT

The PRESIDENT (the Hon. F. S. Grimwade)—I have to announce that, for medical reasons, the Clerk-Assistant will be absent from the House for the remainder of the spring sittings. During his absence, the Usher of the Black Rod will carry out the duties of the Clerk-Assistant. As a result, honorable members will note that Mr Wayne Tunnecliffe, Clerk of the Papers, is seated at the table, carrying out the duties of the Usher of the Black Rod.

TRANSPORT REGULATION (CAR POOLS) BILL

This Bill was received from the Assembly and, on the motion of the Hon. D. G. CROZIER (Minister for Local Government), was read a first time.

RAILWAYS (BOARD) BILL

This Bill was received from the Assembly and, on the motion of the Hon. D. G. CROZIER (Minister for Local Government), was read a first time.

MINISTRY OF TRANSPORT (AMENDMENT) BILL

This Bill was received from the Assembly and, on the motion of the Hon. D. G. CROZIER (Minister for Local Government), was read a first time.

MARINE (AMENDMENT) BILL

This Bill was received from the Assembly and, on the motion of the Hon. D. G. CROZIER (Minister for Local Government), was read a first time.

HEALTH (PROPRIETARY MEDICINES) BILL

This Bill was received from the Assembly and, on the motion of the Hon. W. V. HOUGHTON (Minister for Conservation), was read a first time.

ABSENCE OF MINISTER

The Hon. HADDON STOREY (Attorney-General)—I inform the House that the Leader of the House will be absent all day on Ministerial business.

QUESTIONS WITHOUT NOTICE

BEHAVIOUR AT SPORTING EVENTS

The Hon. N. F. STACEY (Chelsea Province)—In view of the recent drunken behaviour at the Melbourne Cricket Ground, will the Attorney-General review the situation as it now exists, following the laying of charges and the outcome of court proceedings, with a view to ensuring that people are able to attend and enjoy the cricket without having their enjoyment upset by loutish behaviour?

The Hon. HADDON STOREY (Attorney-General)—The Government is concerned, as I am sure all honorable members are, about the sort of behavi-