Tuesday, 31 May 1983

The SPEAKER (the Hon. C. T. Edmunds) took the chair at 2.7 p.m. and read the prayer.

QUESTIONS WITHOUT NOTICE

STATE TAXES AND CHARGES

Mr KENNETT (Leader of the Opposition)—Is the Treasurer aware that, as a result of broken election promises by both his Government and the Federal Government, the people of Victoria are now faced with increased taxes, charges and expenses of $20 a week? Does the honourable gentleman therefore agree that the Labor Governments in Melbourne and Canberra are costing Victorians an extra $1000 each a year? What commitment will the Treasurer give, in line with his expressed concern about increases in Victorian Football League charges, to ensure that the Government itself keeps its charges down over the next twelve months?

The SPEAKER (the Hon. C. T. Edmunds)—Order! The first part of the question seeks an opinion and it is out of order. The latter part of the question is in order.

Mr JOLLY (Treasurer)—I find it somewhat surprising that the Leader of the Opposition raised these financial matters. It is a matter of regret now that both the Victorian Government and the Hawke Federal Government inherited huge Budget deficits. There is no doubt about that situation which has been documented in this place and in the other place in Canberra.

We have endeavoured to keep charges to a minimum and will continue to adopt that approach in future. The only reason for increasing taxes was because of the $400 million-plus deficit we inherited.

LOTTO TENDER

Mr ROSS-EDWARDS (Leader of the National Party)—I address my question to the Leader of the Opposition——

Honourable members interjecting.

Mr ROSS-EDWARDS—Perhaps I was anticipating events of the future!

The SPEAKER—Order! I advise honourable members that they are wasting their own time.

Mr ROSS-EDWARDS—I refer to a recent statement by the Premier in which he indicated that he was establishing an inquiry into the possible leakage of official information concerning tenders for the future operation of lotto in Victoria.

I ask the honourable gentleman whether the investigation will also cover the obvious leakage of information concerning the casino inquiry. In that case, information that was contained in a supposedly secret report was common knowledge to the media some 18 to 24 hours before the report was published. Will the Premier have both of those matters covered by the investigation?

Mr CAIN (Premier)—I am endeavouring to determine whether the strict instructions that were given concerning the handling of the lotto tenders documents were observed. That is an entirely different consideration from the matter of how some aspects of the report by a board of inquiry—a report that had been in the Government's hands for some three weeks and was available to Parliament the next day—found its way to some sections of the press. The two are separate and distinct matters, and whatever I learn from the inquiry concerning the lotto tenders—it may be nothing—will not in any way affect the matter concerning the casino inquiry.

An extremely strict process was laid down for the handling of the lotto tender documents. The process was that the tenders were to be received by a stated time; they were received by the Tender Board and, on instructions, were locked away by the board in the normal process and were made available only to the members of the assessment committee. That committee consists of four senior officers and such support staff as they need to evaluate the tenders—nine in all, on the information that I have been given. Neither I nor any other Minister has knowledge of the contents of those tender documents, and I do not know whether the information that has appeared in the press is accurate.

The Government will not consider the matter until it receives the report of those who are charged with the responsibility of evaluating the tenders. On more than one

occasion, I have read in the press which of the tenderers will be successful, and all of the applicants have been given a guernsey at different times by one newspaper or another. I assure the House that all of those predictions are equally inaccurate and equally mischievous.

An Honourable Member—How can they all be inaccurate?

Mr CAIN—They are inaccurate because no decision has been made; nor will a decision be made until the Government has considered the material that is put to it. The matter has never been considered by the Government, and those predictions are totally inaccurate because no decision has been made, and none will be made until the material is properly evaluated and put to the Government. The Government's decision will be based on what is in the best interests of this State; no other consideration will enter into the matter.

I do not believe more should be said on the subject. I am not suggesting—nor can I suggest—that the information that appeared in the press necessarily came from any one or more of those nine people—it might have come from one or other of the applicants—nor do I know whether it is accurate.

It is important that the House and the people of Victoria understand that a proper process has been established. At the appropriate time, the Government will consider the recommendations made to it in the form of an evaluation of each of the submissions. It will not consider any other proposition before then, and it will make its decision having regard to what is best for Victorians.

BUILDING SOCIETY INTEREST RATES

Mr MICALLEF (Springvale)—Will the Minister of Housing inform the House of the effect of his recently acquired power to control the rates of interest charged by building societies and whether all building societies have conformed with the rates that have been set?

Mr CATHIE (Minister of Housing)—I thank the honourable member for Springvale for his interest in this matter. The honourable member for Westernport, who is the Opposition's spokesman on the matter, continues to repeat in this place allegations that are plainly untrue.

I have told him that in doing so he is misinformed and if he continues to do that he is obviously out to be irresponsible or mischievous.

The facts are that prior to the Government coming into office there were no controls over the maximum rates of interest set by building societies. The Government took the view that because of the harm that does to the family in having to face higher and higher interest rates and higher and higher mortgage repayments, the Government had a plain duty to exercise control over those interest rates as much as it could, with the result that the Government set up an advisory committee which first met over twelve months ago, on 21 April 1982. A decision was made at that meeting that the maximum rate of interest on owner-occupied home loans should not exceed 15·65 per cent per annum. The minutes of that meeting went on to indicate that those societies whose rates already exceeded 15·65 per cent per annum would not be permitted to further increase their rates. In other words, there were a couple of societies which were already charging in excess of the rate. The Government allowed a grandfather clause which, in effect, gave them the opportunity to conform on the next occasion. That opportunity came earlier this year where, at a special advisory committee meeting held on 19 January 1983, it was decided to reduce the maximum rate from 15·65 per cent per annum to 14·65 per cent per annum. That rate applied to all loans up to $100 000.

All societies—and I stress all societies—have conformed to that decision. I am certainly unaware of any society that exceeds the declared maximum interest rate of 14·65 per cent per annum. It is about time the honourable member for Westernport got up to date.

ACTING TREASURER

Mr MACLELLAN (Berwick)—I refer the Treasurer to an answer he gave in the House last week and ask on what days was the Treasurer interstate during the month of May and what arrangements were made for

a Minister to administer the Treasury portfolio in his absence, and which Ministers acted for him?

Mr JOLLY (Treasurer)—I was absent during the first week of the school holidays and the Minister of Transport was Acting Treasurer.

HEALTH COMMISSION

Mr HANN (Rodney)—In relation to a recent announcement by the Minister of Health that 250 additional persons were to be appointed by the Health Commission, can the Minister of Health advise how many of those persons were additional to the normal staff establishment and how many were normal appointments that would have been appointed anyway?

Mr ROPER (Minister of Health)—In the last Budget arrangements, there was provision for the appointment of an additional 242 persons in the Health Commission, chiefly in the mental health and mental retardation areas which are areas of high priority for the Government.

Those positions were created by the Public Service Board as an addition to the staff ceiling of the Health Commission so that they are new positions that are being filled in a number of ways around the State. One that I am sure would be of interest to the honourable member is additional members to mental retardation teams; an additional 60 student nurses in the mental health field to make up for significant neglect in that field and a run down in the number of trained staff. Another appointment area was the provision of 25 places so that staff in the mental retardation service could have their skills improved and be replaced while doing those courses.

I cannot go through all of the 242 positions, but they were all additions to the Health Commission staff ceiling for new tasks that have to be carried out.

OPERATION INNOCENTS

Mr WALSH (Albert Park)—Can the Minister for Community Welfare Services outline to the House the details of "Operation Innocents" and, in particular, her department's involvement?

Mrs TONER (Minister for Community Welfare Services)—I thank the honourable member for Albert Park for his interest both in the protection of young children from sexual abuse and in other problems of children in the inner urban areas. Honourable members will be aware of the wide publicity given to Operation Delta. A new project of Operation Delta, Operation Innocents, is tomorrow co-ordinating a 'phone-in under the auspices of the Police Force, the *Sun*, HSV 7 and 3DB.

The 12-hour 'phone-in will involve officers of the Department of Community Welfare Services co-operating with the Police Force and other welfare agencies in organizing and mounting this important campaign against sexual abuse of children, not simply homelessness of children to which the honourable member for Brighton is adverting. The department will be providing a team of four experienced staff members who will offer information and provide support for those who are seeking assistance.

Following the 12-hour 'phone-in, departmental staff will continue to work with other team members in considering how to meet those needs which have been identified by the public response to the 'phone-in campaign tomorrow.

The involvement of the department with Operation Innocents reflects the Government's concern for the social protection of some of society's most vulnerable members against all forms of sexual exploitation. The department shares the determination of the Government to protect children and young people who are at risk and endangered by exploiters using children for child pornography and child prostitution. Programmes are being devised to support these children and their families, including the establishment of a special supervision unit in the inner urban regions.

STATE FINANCES

Mr RAMSAY (Balwyn)—Is the Treasurer aware that the revenue and expenditure of the Government of New South Wales at present is virtually in balance with a deficit of only $1·6 million and that the New South Wales Treasurer has said recently that most other States have indicated that they are facing a deterioration in their Budget positions this financial year? Is that the reason for the Treasurer's failure to issue during the month of May a statement showing the state of the Current Account as at 30

April? Is he embarrassed by what that statement shows? Will he undertake to make that statement available tomorrow without fail?

Mr JOLLY (Treasurer)—I should make it quite clear that all States in Australia are having difficulties on the revenue side of their Budgets. I have indicated on a number of occasions the problems that have been experienced in revenue raising and that matter has been referred to in the monthly financial statements. The financial statement for May will be available to the public tomorrow.

FOOTBALL FINALS TICKETS

Mr STIRLING (Williamstown)—Will the Premier inform the House of the position at present on scalping practices for football finals tickets?

Mr CAIN (Premier)—When Victorian Football League finals tickets go on the market, assertions are made of scalping and handling charges by clubs. As far back as September last year, the Department of Youth, Sport and Recreation contacted the league to discuss what might be appropriate Government action. It had been suggested previously that the Government could legislate to prevent this occurring.

After talks, the league agreed to ask clubs to provide information about the breakdown of their finals ticket allocations and the distribution that had taken place in 1982. So far, only three clubs have provided that information and that which has been provided is not in the manner requested.

When those tickets go on sale again, some time later this year, because the House will be in recess, the Government will not be able to take the legislative action that it might be suggested could overcome the problem.

The Government has been prevented from doing that so far because the information sought from the Victorian Football League upon which any action, if it can be taken, will be based, has not been forthcoming.

TRUSTEES EXECUTORS AND AGENCY CO. LTD

Mr LIEBERMAN (Benambra)—I refer the Premier to the Government's announcement in April this year of the approval of a $80 million development of the Olderfleet building in Collins Street, which was much publicized. Is the Premier aware, in his capacity as Attorney-General also, that at the time of that announcement, questions were being raised about the financial capacity of one of the joint venturers in that project, Trustees Executors and Agency Co. Ltd?

Mr CAIN (Attorney-General)—I am not aware of the assertion the honourable member has made. As remarked in some financial newspapers, many people are wise about the company some considerable time after the event. I will be making a Ministerial statement regarding that matter immediately following question time.

WAGE PAUSE

Mr McGRATH (Lowan)—Because of the obvious savings generated by the wage pause and the fact that these savings have been used by the Government for job creation programmes and has generated confidence in the private sector, will the Premier give an undertaking to support the continuation of the wage pause and put forward that approach at the forthcoming Premier's Conference?

Mr CAIN (Premier)—As I have already indicated, the Government will be making clear its attitude on this matter before the Commonwealth Conciliation and Arbitration Commission, both in private hearings—some time this week—and in public hearings when the matter comes before the commission. Unlike the Leader of the Opposition, the Government believes the commission has an entitlement to hear, at first hand without prior publication, what this Government believes regarding those matters. That is the proper course to be followed.

The Government has made its position clear regarding the determination and has led the way, unlike the Liberal Party, by saying that there should be a return to a centralized wage fixing system and some order in the area of wage fixing. That has been the underlying philosophy the Government has followed for a long time, and it will continue to follow it.

EMPLOYMENT INITIATIVES PROGRAMME

Mr SHELL (Geelong West)—Will the Minister for Employment and Training inform the House what proportion of the employment initiatives programme funds have been allocated to the Melbourne and metropolitan area and to the remainder of Victoria, including Geelong.

Mr SIMMONDS (Minister for Employment and Training)—I do not have the exact figures for the Geelong area, but I indicate that it would be something over $2 million. The $30 million allocated in the Budget has been distributed to the extent that some $29·5 million has been allocated to date. Funds were allocated to eighteen regions in Victoria on a needs basis. The needs were determined on the basis of the number and percentage of unemployed in each region.

For the interest of honourable members, $20 million has been allocated to projects within the Melbourne metropolitan area and $9·4 million to projects in rural Victoria. To test the legitimacy of those figures, I indicate that Melbourne has 71 per cent of the State's population and has 73 per cent of the State's unemployed people. It received 68 per cent of the funds. The remainder of Victoria, with 29 per cent of the State's population and 27 per cent of unemployed people received 32 per cent of the funds.

The State-wide based employment initiative projects were allocated to the Melbourne metropolitan area because the headquarters of most State-wide places are based in Melbourne. To date, the programme has created 3400 jobs in 535 separate projects.

If any honourable member would like to peruse the files, either he or she would discover that the files are in order and complete. The advice I gave to members of the Opposition in another place was that the facilities of the Ministry of Employment and Training were available, freely and openly and that advice was utilized. However, I received neither any response nor inquiry for any additional information.

However, I assure honourable members that, in the light of events of the past week, the resources of the Ministry will be made available to meet genuine inquiries, especially by members of the National Party, who will verify the fact that they have been provided with a proper appreciation of the deputations they have led to the Ministry. I pay tribute to the staff of my Ministry. Approximately 20 people under the NOW programme were recruited as exempt employees and they have been responsible for carrying out Government policy. That programme indicates that Government policy can be used to redirect and redeploy people. I pay tribute to the staff of the Ministry who have performed a magnificent job in carrying out their tasks. It is to be hoped that Opposition members will avail themselves of the services of the Ministry to obtain genuine information.

It should be noted that one cannot afford to waste three days in meeting the objectives of one honourable member when those objectives are not used to advance the employment programme, but to play politics with a substantial social problem.

TRUSTEES EXECUTORS AND AGENCY CO. LTD

Mr BROWN (Westernport)—Can the Attorney-General confirm that the current examination of the Trustees Executors and Agency Co. Ltd will include the circumstances surrounding the withdrawal of moneys and the sale of shares in the Trustees Executors and Agency Co. Ltd during the six-week period prior to the collapse of that company and, likewise, will the examination include all loans to employees of the Trustees Executors and Agency Co. Ltd and to all other persons and entities associated with that company?

Mr CAIN (Attorney-General)—I believe to answer the question of the honourable member for Westernport would require me to offer some opinion on the extent to which the direction given to the National Companies and Securities Commission embraces the matters to which he has referred. Following question time, I propose to make a Ministerial statement on the Trustees Executors and Agency Co. Ltd following action by the court late this morning. I intend to suggest that a copy of the direction that has been given to the National Companies and Securities Commission be incorporated in *Hansard*. No doubt the honourable member can obtain some advice on whether or not that direction, which has been drawn as widely as possible, does cover the areas to

which he has referred. It would certainly be my belief that it should and, if it does not, I will take whatever steps are necessary to ensure that it does.

PLACEMENT OF HOSPITAL INTERNS

Mr McCUTCHEON (St Kilda)—Can the Minister of Health inform the House on any further developments in relation to the placement next year of interns?

Mr ROPER (Minister of Health)—This morning I wrote to the Australian Medical Association asking again that it consider its submission that more than a month ago it was proposing to make so that we would have a basis for discussion on how all medical graduates can be employed next year.

Opposition members might not be aware of the costs of the intern year. If the Leader of the Opposition believes there should not be more staff in mental health and mental retardation services, I shall give him a conducted tour of a suitable place.

Mr LIEBERMAN (Benambra)—On a point of order, Mr Speaker, the Minister of Health is answering an interjection when he should be answering the question.

The SPEAKER (the Hon. C. T. Edmunds)—Order! There is no point of order. Interjections are disorderly and should be ignored.

Mr ROPER (Minister of Health)—I thank the shadow spokesman for his protection. Honourable members should be aware of the cost of training interns. The situation is not as it once was, where people received a small amount of money to assist them during their final training year. The award rate for an intern is $372.80 a week, which is based on a 48-hour week. Any time worked thereafter is at time and a half. They are also eligible for six weeks' annual leave, four weeks of which attract the 17·5 per cent loading.

The average time paid for in the 1982 survey was 69 hours, and the average salary of an intern this year is $39 522—that is for people who are doing their training year after graduating from university. I am sure no other group in the community is anywhere near that situation and I notice that some back-benchers of the National Party are trying to do their sums very quickly.

The estimated salary cost for this year is $13·95 million, and that is just for interns. Without wishing to reflect on the work done by interns, I point out that the intern year is very much a training year and if any honourable members have witnessed the way in which interns work, particularly during the first few months of operation, while they are receiving these substantial incomes, I point out that they often ask the nearest nurse what they should do. The Government is not suggesting that that is something they should not do, but it is a training position and it is an expensive form of training. In answer to the interjection of the Leader of the Opposition, the Government does want doctors for the future.

Honourable members need to be aware of the cost of training involved in the hospital system, because this situation does not apply only to interns; it goes through the various groups of registrars as well. A junior registrar receives an annual salary of $43 000, a senior registrar receives $56 000, and a registrar and fellow each receive an annual salary of $62 000. These are very substantial sums, a cost all up of $49 million.

It is the aim of the Government to ensure that everyone receives an intern place next year. The Government expects to discuss with the Australian Medical Association how the State can afford to do that, because the number of placements for next year is higher than for this year. Therefore, the cost of salaries will be in excess of $14 million for the year if existing practices are unchanged.

INTIMIDATION OF ELECTORAL OFFICERS

Mr RICHARDSON (Forest Hill)—I refer the Minister for Property and Services to his statement of 20 April that he will not take any action on the matter of intimidation and bullying of the returning officers at the Springvale by-election by a group which included a Minister of this Government until, to quote his words, "there is an official report from the returning officer at Springvale to the Chief Electoral Officer".

Since an official report has been made, will the Minister make that report and the file on the by-election available to members of the House and, if not, why not?

Mr SIMPSON (Minister for Property and Services)—The honourable member for Forest Hill raised this matter with me on the debate for the adjournment of the sitting some weeks ago, at which time I said I was quite amazed that he should want to raise the issue of the Springvale by-election since the Liberal Party received such a drubbing at that election.

At the time I indicated that I knew of no report from the returning officer and I quite properly said that I would take no action from alleged newspaper reports. Following the adjournment of the sitting, I contacted the Chief Electoral Officer and I then met with him and there was a letter from the returning officer at Springvale and, I think, a letter from the Democratic Labor Party candidate, Mr Mulhulland, to the chief returning officer.

The Chief Electoral Officer, Mr Eric Richardson, advised me that he would be submitting a report to me. He has written to me and I shall be happy to make available to the honourable member the letter from the returning officer at Springvale to the Chief Electoral Officer, the letter from Mr Mulhulland and the report from the Chief Electoral Officer to me.

DISASTER PLAN

Mr JASPER (Murray Valley)—I refer the Minister for Police and Emergency Services to the need for the greatest co-operation and direction between Government departments and volunteer organizations in providing relief work such as with the derailment of the tankers at North Wangaratta when the Hume Highway was closed for two days. Can the Minister indicate to the House how effective the Displan operation has been and whether there will be any changes to the operation of Displan in emergency situations?

Mr MATHEWS (Minister for Police and Emergency Services)—The structure and organization of the disaster plan in Victoria is under review in the light of the experiences of Ash Wednesday and there will be an opportunity in the course of that review for the experience that occurred in connection with the derailment that the honourable member raises to be taken on board. I hope I will be able to bring a report on this whole matter before the community for comment before the end of the current year.

DIGHT STREET, COLLINGWOOD, ESTATE

Mr SIDIROPOULOS (Richmond)—Recently the Ministry of Housing has announced that it will demolish walk-up flats in Dight Street Estate, Collingwood. Can the Minister of Housing explain to the House why this decision has been made and will he also indicate whether further demolition of walk-up or high-rise flats is likely?

Mr CATHIE (Minister of Housing)—The Government has been aware of the deterioration in the structural foundations of the Dight Street walk-up flats at Collingwood for some time. The solution of the previous Government had been to provide a number of jacks under the concrete crossover between one set of walk-up flats and another. No, no parachutes were offered.

After an exhaustive examination of the options available to the Labor Government, it was resolved to renovate completely the existing Dight Street flats, and that would involve partial redevelopment and partial rehabilitation work. However, by the end of the severe summer drought it became obvious that there had been a further deterioration in the structural foundations of those flats and, in consequence, a decision was made to demolish totally and redevelop the whole of that site. In place of the current two and three-storey walk-up flats, two-storey terraced houses will be built which will have both private front yards and private back yards. The designs of those terrace houses will be in conformity with the views of the existing residents. The Government is determined to achieve quality in the existing estates. We inherited a situation of years of neglect in nearly all of the Housing Commission estates, the minimum Government expenditure on estate improvements running at about $4 million.

In the Budget this year the sum of $13 million is being set aside to ensure that an estate improvement programme that is meaningful and will be effective can get under way and the Dight Street estate will be one example of that.

Currently, the Ministry is investigating a number of other options, but at this stage no further demolition is being planned.

LICENSED CLUBS

Mr KENNETT (Leader of the Opposition)—I ask the Premier what conversation or correspondence has taken place between him and the Attorney-General and the Licensed Clubs Association of Victoria and/or the officials of the Australian Clubs Development Association, before and after 7 April 1982, and will the Premier table all such correspondence?

Mr CAIN (Premier)—I will make enquiries into what correspondence has passed and advise the honourable member.

UNIVERSAL FRANCHISE

Mr KIRKWOOD (Preston)—Can the Minister for Local Government inform the House what measures have been taken to publicize the recently proclaimed universal franchise legislation for local government and, in particular, the voting entitlement and enrolment deadlines?

Mr WILKES (Minister for Local Government)—It is the intention of the Government to advise Victorians of their entitlements in respect of the new universal franchise legislation, particularly in respect of enrolment and of their voting rights on local government election day on November 5 this year. To this end, an advertisement has appeared in local newspapers across Melbourne advising people of those rights and their entitlements, at a cost of $7000. In addition to that, an advertisement has appeared in two morning daily newspapers in Melbourne this morning at a cost of $6500 and the same advertisement has been lodged in all provincial newspapers and will appear next week at a cost of $5000. An advertisement also will appear in all rural newspapers and also ethnic language papers in Victoria over the next week or so at a cost of $4000; in all, a $20 000 advertisement campaign advising people of their entitlements and their rights. We intend to circulate councils with a handbill which they will distribute to their ratepayers with similar advice to that which appeared in the advertisement.

STATE WARDS

Mr SALTMARSH (Wantirna)—I ask the Minister for Community Welfare Services whether she has sought to suppress information about the desperate plight of some State wards who have become street kids, and who are subject to a range of unsavoury exploitation? If the Minister has not sought to suppress information, what is the Government doing to fulfil its social and statutory obligations, particularly to State wards, or does it need the help of this Parliament to do its task?

Mrs TONER (Minister for Community Welfare Services)—I am not sure what the honourable member for Wantirna is adverting to in his esoteric question, but the Government is in no way attempting to suppress the difficulties in which young wards of State find themselves, and the difficulties in which families in distress find themselves as a result of an economic crisis which has occurred because of the policies of conservative Federal Governments, over many years.

Honourable members interjecting.

The SPEAKER (the Hon. C. T. Edmunds)—Order! I advise the honourable member for Hawthorn to cease interjecting if he does not want me to act in the manner in which he knows I can. I also ask other honourable members on the Opposition benches to cease interjecting.

Mrs TONER—Honourable members who have read the annual report of the department, which outlined the limited programme put in train by the former Government, and the Ministerial statement issued prior to Christmas, which indicated the programmes that were undertaken by this Government, will know that progress is on the way. Difficulties are involved with wards of the State and children needing foster care and special supervision. Some important programmes are under way. If the honourable member for Wantirna cares to contact the administrator of Community Welfare Services, I will have him briefed by officers of my department so that he may be better informed.

WALLAN PRIMARY SCHOOL

Mr McDONALD (Evelyn)—Is the Minister of Public Works able to advise the House of the latest upgrading and replacement of the current old Wallan Primary School?

Mr SIMPSON (Minister of Public Works)—The Wallan Primary School is a hotchpotch of old relocateable or portable

class-rooms. It consists of some old light timber class-rooms and some modules. Unfortunately, it has been in this condition for many years. The school has been urgently in need of replacement, but the former Liberal Government could not or would not make the changes that were necessary at the Wallan Primary School. The Government has decided to replace the school on a new site which will be adjacent to the current site. It is hoped tenders will be called for the new school in a couple of months, which will be made up of eight class-rooms, accommodating approximately 210 pupils, including a library and an arts and craft and administration complex.

I compliment the Minister of Education for his foresight, not only with this school, but also with many other schools. I also compliment the honourable member for Evelyn, who is concerned not only for the electorate that he represents, but also for other areas such as this school which is not in the Evelyn electorate, but adjacent to it. He is concerned for the students who will be attending school and for the interests of the parents who send their children there. It is expected that the cost of replacing the school will be about $800 000 to $900 000 and we all wish for a speedy building of the much-needed primary school at Wallan.

PETITIONS

The Clerk—I have received the following petitions for presentation to Parliament:

Poker machines

TO THE HONOURABLE THE SPEAKER AND MEMBERS OF THE LEGISLATIVE ASSEMBLY IN PARLIAMENT ASSEMBLED:

The humble petition of the undersigned citizens of the State of Victoria sheweth their concern that a campaign has been launched to influence the Government to permit poker machines to operate in Victoria.

Your petitioners therefore pray that the Government will not legalise this particularly addictive form of gambling in this State.

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

By **Mr Gavin** (53 signatures)

The Queen Elizabeth Geriatric Centre, Ballarat

TO THE HONOURABLE THE SPEAKER AND MEMBERS OF THE LEGISLATIVE ASSEMBLY IN PARLIAMENT ASSEMBLED:

The humble petition of the undersigned citizens of the State of Victoria sheweth that services provided by the Queen Elizabeth Geriatric Centre at Ballarat are under threat of curtailment.

Your petitioners therefore pray that the Government of Victoria take appropriate steps to liaise with the Board of Management of the Queen Elizabeth Geriatric Centre to ensure that there is no reduction of services to the elderly and infirm of the Ballarat and Central Highlands region.

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

By **Mr F. P. Sheehan** (570 signatures)

Duck Bay netting

TO THE HONOURABLE THE SPEAKER AND MEMBERS OF THE LEGISLATIVE ASSEMBLY IN PARLIAMENT ASSEMBLED:

The humble petition of the undersigned citizens of the State of Victoria sheweth that commercial fishermen are regularly netting the narrow waters of Duck Bay (lying between Banksia Peninsula and a section of the main shore of Lake Victoria—Gippsland map attached).

The "Peninsula" is used mainly for school camps and for groups of children from underprivileged areas under the auspices of the principal churches. The sheltered waters of Duck Bay are known nursery waters for many species of fish, and are an ideal training area for hundreds of children in the skills of swimming, canoeing, sailing and fishing. As an area popular with children and tourists alike, it is worthy preserving as an unexplored area that everyone can enjoy.

Your petitioners therefore pray that you will pass legislation preventing professional and amateur netting within the waters of Duck Bay by proclaiming Duck Bay a restricted area.

By **Mr Templeton** (106 signatures)

Shop trading hours

TO THE HONOURABLE THE SPEAKER AND MEMBERS OF THE LEGISLATIVE ASSEMBLY IN PARLIAMENT ASSEMBLED:

The petition of the undersigned citizens of Australia respectfully showeth the concern of the members of the Meat and Allied Trades Federation of Australia, Victorian Division, and residents of Beaufort and Ballarat at the Victorian Liberal Parliamentary Party's Policy of Deregulation of Trading Hours for Retail Shops in Victoria, as such action would increase costs, aggravate inflation and unemployment in the retail

industry, discriminate against labour intensive small firms employing full-time skilled employees in favour of the giant self service retail chains mainly employing junior staff at casual rates, which we believe is not in the best interests of the community.

We respectfully submit that deregulation of trading hours would seriously impact the "quality of life" of the small business owner/manager and the "quality of work life" of employees of small and independent firms.

We respectfully request that the Victorian Government's policies supporting small business and the non-extension of shop trading hours be strengthened and that penalties for breaches of the Labour and Industry Act 1958 be enforced.

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

By **Mr F. P. Sheehan** (431 signatures)

TO THE HONOURABLE THE SPEAKER AND MEMBERS OF THE LEGISLATIVE ASSEMBLY IN PARLIAMENT ASSEMBLED:

The petition of the undersigned citizens of Australia respectfully showeth the concern of the members of the Meat and Allied Trades Federation of Australia, Victorian Division, and residents of Newton, Highton, Grovedale, Belmont, Geelong, Colac and Camperdown at the Victorian Liberal Parliamentary Party's Policy of Deregulation of Trading Hours for Retail Shops in Victoria, as such action would increase costs, aggravate inflation and unemployment in the retail industry, discriminate against labour intensive small firms employing full-time skilled employees in favour of the giant self service retail chains mainly employing junior staff at casual rates, which we believe is not in the best interests of the community.

We respectfully submit that deregulation of trading hours would seriously impact the "quality of life" of the small business owner/manager and the "quality of work life" of employees of small independent firms.

We respectfully request that the Victorian Government's policies supporting small business and the non-extension of shop trading hours be strengthened and that penalties for breaches of the Labour and Industry Act 1958 be enforced.

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

By **Mr Shell** (383 signatures)

TO THE HONOURABLE THE SPEAKER AND MEMBERS OF THE LEGISLATIVE ASSEMBLY IN PARLIAMENT ASSEMBLED:

The petition of the undersigned citizens of Australia respectfully showeth the concern of the members of the Meat and Allied Trades Federation of Australia, Victorian Division, and residents of Ashwood, Bulleen, Caulfield, Dromana, Collingwood, Fitzroy, East Bentleigh and Craigieburn at the Victorian Liberal Parliamentary Party's Policy of Deregulation of Trading Hours for Retail Shops in Victoria, as such action would increase costs, aggravate inflation and unemployment in the retail industry, discriminate against labour intensive small firms employing full-time skilled employees in favour of the giant self service retail chains mainly employing junior staff at casual rates, which we believe is not in the best interests of the community.

We respectfully submit that deregulation of trading hours would seriously impact the "quality of life" of the small business owner/manager and the "quality of work life" of employees of small independent firms.

We respectfully request that the Victorian Government's policies supporting small business and the non-extension of shop trading hours be strengthened and that penalties for breaches of the Labour and Industry Act 1958 be enforced.

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

By **Mrs Setches** (408 signatures)

TO THE HONOURABLE THE SPEAKER AND MEMBERS OF THE LEGISLATIVE ASSEMBLY IN PARLIAMENT ASSEMBLED:

The petition of the undersigned citizens of Australia respectfully showeth the concern of the members of the Meat and Allied Trades Federation of Australia, Victorian Division, and residents of Williamstown, Windsor, Bairnsdale, Colac, Lynton, Wangaratta, Edithvale, Glenroy, St. Albans, South Morang, Sunbury and Thornbury at the Victorian Liberal Parliamentary Party's Policy of Deregulation of Trading Hours for Retail Shops in Victoria, as such action would increase costs, aggravate inflation and unemployment in the retail industry, discriminate against labour intensive small firms employing full-time skilled employees in favour of the giant self service retail chains mainly employing junior staff at casual rates, which we believe is not in the best interests of the community.

We respectfully submit that deregulation of trading hours would seriously impact the "quality of life" of the small business owner/manager and the "quality of work life" of employees of small independent firms.

We respectfully request that the Victorian Government's policies supporting small business and the non-extension of shop trading hours be strengthened and that penalties for breaches of the Labour and Industry Act 1958 be enforced.

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

By **Mr Fogarty** (733 signatures)

Returnable drink containers

TO THE HONOURABLE THE SPEAKER AND MEMBERS OF THE LEGISLATIVE ASSEMBLY IN PARLIAMENT ASSEMBLED:

The humble petition of the undersigned citizens of the State of Victoria sheweth our concern for the wastage of energy and raw materials that results from the use of throw-away packaging.

Your petitioners therefore pray that legislation be enacted to make all drink containers returnable, in a similar manner to the successful Beverage Containers Act in South Australia, and do further state our wish to see that all returnable containers bear a handling fee to be paid to all those who collect such containers. We further urge that all unnecessary, wasteful or dangerous forms of packaging, such as ring-pull can tops, be made illegal and do support all such Acts of Parliament which encourage recycling and conservation of resources, and your petitioners, in duty bound, will ever pray.

By **Mr Walsh** (240 signatures)

Court hearing delay

TO THE HONOURABLE THE SPEAKER AND MEMBERS OF THE LEGISLATIVE ASSEMBLY IN PARLIAMENT ASSEMBLED:

The humble petition of certain citizens of Victoria showeth concern at the unwarranted delays in preparing legal cases for court hearings, in particular, the adjourned *sine die* court hearing in 1973 involving Mrs M. J. L. Dallansanta. The plaintiff, at age 72, seeks urgent action to obtain a court judgment on the matter. Further, your petitioners seek an immediate inquiry into the legal system including the granting of legal aid, the administration of Government departments involved in the legal system and the functions of the Law Institute of Victoria. Your petitioners therefore pray that the House take action to ensure that the adjourned *sine die* court hearing in 1973 involving Mrs M. J. L. Dallansanta go before the courts for judgment without further delay and that an immediate inquiry is conducted into the legal system in Victoria.

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

By **Mr Whiting** (72 signatures)

Wiltona hostel accommodation

TO THE HONOURABLE THE SPEAKER AND MEMBERS OF THE LEGISLATIVE ASSEMBLY IN PARLIAMENT ASSEMBLED:

We the undersigned citizens of Victoria by this petition show our concern that the Government's intention to use the Wiltona Hostel for low security purposes in the penal system has been determined without consultation with the community of Altona through its elected council and will put at risk the safety of persons and property, including the adjacent refinery which is of national importance.

We support the Council of the City of Altona in opposing any new residential use within 1000 metres of a petroleum refinery.

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

By **Mr Stirling** (2417 signatures)

It was ordered that the petitions 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:

Country Fire Authority—Report for the year 1981-82.

Public Service Board—Report for the year 1981-82—Ordered to be printed.

River Murray Commission—Report for the year 1981-82.

Town and Country Planning Act 1961:

Melbourne Metropolitan Planning Scheme, Amendment No. 185 (Part 2A).

MINISTERIAL STATEMENT

Trustees Executors and Agency Co. Ltd

Mr CAIN (Attorney-General)—I wish to make a Ministerial statement concerning the affairs of the Trustees Executors and Agency Co. Ltd.

This company has been in operation for almost a century. It is with regret, however, circumstances now demand that I record to this House that it is now about to be put into liquidation. I understand the Supreme Court today appointed provisional liquidators, Messrs Crawford and Poulton. The Government will support that application. There are several reasons for that support.

The public is entitled to know, as are members of this House, the reasons and circumstances giving rise to the appointment of the provisional liquidators. Although many factors are involved, the key ingredients can be reduced to three:

1. Incompetent management;
2. wild investment practices; and
3. outright negligence.

For some ten years or more, some trustee companies have been investing in areas outside that accepted as customary for such companies. At the core of events is the involvement of Trustees Executors and Agency Co. Ltd in property development ventures for which it was not equipped and in which it had little expertise. Trustee companies were never envisaged as being property developers and I would indicate to those trustee companies involved in such

businesses that it will be prudent for them to consider that function.

Trustees Executors and Agency Co. Ltd failed for all the obvious reasons. It borrowed "short" and lent "long". It was involved in business dealings, particularly the Quay development in Sydney and the refurbishment of Goode House in Melbourne for which it showed no aptitude or skill.

These factors combined with poor and incompetent management and, I regret to say, some dealings probably beyond the law, led to disaster. That disaster was compounded by a policy of concealment. The company was not frank, nor honest with the Government, the Trustee Companies Association or its shareholders.

I do not want to pre-empt or prejudice any legal proceedings which may follow the company's collapse, therefore, I will not detail the legal position of all of the parties concerned. However, I have directed that all relevant matters be the subject of a National Companies and Securities Commission Inquiry. I attach to this statement the Instrument of Direction to the National Companies and Securities Commission.

I seek leave to have the Instrument of Direction to the National Companies and Securities Commission incorporated in *Hansard*.

Leave was granted, and the document was as follows:

Companies (Victoria) Code

Sections 291 and 292

Direction

PURSUANT to the provisions of sub-section 291 (1) of the Companies (Victoria) Code, it appears to me that it is in the public interest in respect of Victoria that an investigation be carried out into the affairs of the Trustees Executors and Agency Company Limited and its related corporations (hereinafter referred to as "the T.E.A. Group") in the State of Victoria the participating States and the participating Territory, I JOHN CAIN, Attorney-General for the State of Victoria being the Minister for the time being responsible for the administration of the Companies (Application of Laws) Act 1981 HEREBY DIRECT the National Companies and Securities Commission ("N.C.S.C.") to arrange for an investigation into the affairs of the T.E.A. Group.

The matters to be investigated are all the affairs of the corporations in the T.E.A. Group as from 1 January 1975 and in particular, without limiting the generality of the foregoing, the following:

1. The extent to which the T.E.A. Group and any officer (within the meaning of Part VII) of any corporations in the T.E.A. Group or any other person has contravened or failed to comply with the provisions of—

(i) the Companies (Victoria) Code the Companies Act 1961 of Victoria or the corresponding laws of any participating States and the participating Territory;

(ii) the Securities Industry (Victoria) Code, the Securities Industry Act 1975 or the corresponding laws of any participating States and the participating Territory;

(iii) the Trustee Act 1958 of Victoria, the Trustee Companies Act 1958 of Victoria or legislation applying to trusts, trustees or trustee companies of the participating States or the participating Territory;

(iv) any other law including the criminal law of the State of Victoria or any participating State or the participating Territory.

2. All the relevant circumstances, events and actions contributing or relating to the present financial position of the T.E.A. Group having special regard to—

(*a*) the operations of the T.E.A. Group in its capacity as a trustee *viz-a-viz* those non-trustee functions performed by it;

(*b*) the corporate structure of and the commercial practices followed by the T.E.A. Group;

(*c*) the operation of the common funds and any deposit schemes of the T.E.A. Group;

(*d*) the extent if any, to which the participation by all or any of the corporations in the T.E.A. Group in non-trustee commercial activities including real property development schemes or enterprises, joint ventures with other corporations or persons, the purchase and sale of real estate agencies and the active solicitation of funds, contributed to that position.

3. The extent to which Trustees Executors and Agency Company Limited made known or should have made known to me or to any other appropriate State or Commonwealth authority or The Stock Exchange of Melbourne Limited or any other stock exchange the true nature of the financial position of the T.E.A. Group from time to time.

4. The nature, extent and accuracy of the reports or other advice or information, given or conveyed by the Chairman, the Directors, or officers of the Trustees Executors and Agency Company Limited or of any other corporation in the T.E.A. Group as to its affairs and whether there was any non-disclosure of relevant facts.

I DIRECT the N.C.S.C. to report whether having regard to the affairs of the T.E.A. Group:

It would recommend any changes in the legislation relating to trustee companies including provisions relating to the functions and powers of trustee companies and provisions relating to the regulation of such companies.

Pursuant to sub-section 292 (1) paragraph (*b*) I REQUIRE the investigation to be carried out by the N.C.S.C.

Dated 30 May 1983.

JOHN CAIN,

Attorney-General

Mr CAIN—This document replaces an earlier direction and was settled in conjunction with the representatives of the Attorneys-General for Queensland, New South Wales, South Australia and the Northern Territory late last week. Since their appointment on 13 May, I have been in regular and detailed contact with the receivers. I commend Messrs Crawford and Poulton for the co-operation they have extended to the Government and their readiness to make all proper information available to it. Their diligence is to be noted.

It must be said that neither the Trustee Companies Act 1958, nor the Companies (Victoria) Code gives the Attorney-General any specific authority over trustee companies as such. Further, neither the Act, nor the code, imposes any particular obligation on a trustee company to report any adverse matter affecting the operation of the company to the Attorney-General.

I asked the Trustee Companies Association to see if it were possible for the members of that association to bail out or at least sustain Trustees Executors and Agency Co. Ltd as a trustee company. I can report that my good offices were used but it was not possible to find an avenue of rescue.

I can say that every possibility has been explored by the receivers and the Government to try to prevent the ultimate liquidation of this company. All those efforts have proved fruitless. As presently advised, it is not clear what funds liquidation will yield.

It will ensure that assets and income will not be dissipated. It offers safeguards for the beneficiaries under the trusts. Further, it gives the liquidator power to recover moneys wrongfully disbursed. At all times, it has been the objective of my Government to safeguard the interests of those small but dependent beneficiaries and depositors. We will give every assistance possible to ensure the speedy investigation and consideration of all depositor's and investor's claims.

Trustees Executors and Agency Co. Ltd operated on more than one level. It functioned as a regular and proper trustee company administering estates and settlements and investing the proceeds in authorized trustee securities. It also accepted deposits from the public which it placed in client investment deposits (CID's). These funds were used by the company in its property dealings, amongst other things.

It is apparent that there are many persons in needy circumstances who invested in CID's although they may have believed they were investing in authorized trustee securities. The National Companies and Securities Commission will examine this aspect as it will others.

I have asked the commission to deliver such interim reports as may be appropriate. I have reminded the directors of this company of their obligations under the Trustees Companies Act and the Trustee Act. I have written to those directors to make clear their obligations.

I have indicated to them that, in my view, it would be improper for them to change their financial position so as in any way to prejudice their obligations under these Acts.

The Government is aware that many beneficiaries may move in the Supreme Court for the replacement of Trustees Executors and Agency Co. Ltd by other trustees. We shall not do anything to prejudice the present legal rights and entitlements of beneficiaries. However, there may be some persons who have neither the money, nor the capacity, to replace Trustees Executors and Agency Co. Ltd and we shall ensure that those persons are safeguarded.

I would expect that the liquidator would seek to transfer the majority of estates to some other trustee. It may be that this House might have to consider a legislative scheme to ensure the proper continuation of the administration of those estates by some other body or company.

As soon as the financial position of the company becomes clearer, I shall be in a position to advise this House further. In the meantime, I have only to record my regret at being obliged to make this statement in respect of a company which for many years had acted properly and faithfully in its capacity as a trustee. However, it has now stepped outside the traditional functions as

a trustee company and brought itself into liquidation.

Mr CAIN (Attorney-General)—By leave, I move:

> That this House takes note of the Ministerial statement.

Mr KENNETT (Leader of the Opposition)—The Ministerial statement tells Parliament and the people of Victoria and Australia involved in the tragic collapse of Trustees Executors and Agency Co. Ltd nothing whatsoever. If there were a bowl of water at the side of the table at which the Attorney-General sits, he would be washing his hands.

The Ministerial statement is an absolute out by the Premier and the Attorney-General in meeting his obligations both as a Minister and as an act of humanity to the people involved in the collapse. The contents of the document will be found in any newspaper already published for afternoon readership in Victoria. The Government is doing absolutely nothing to accept any responsibility for the tens of thousands of investors involved in the company collapse.

Mr Gray—Do you want them to nationalize it?

Mr KENNETT—The honourable member might well interject, but will he be prepared to tell his constituents who may have lost money that the Premier is washing his hands of their needs?

The only acceptable comment contained within the document is spelt out in paragraph 4 on page 1 of the Ministerial statement where the Attorney-General said:

> The Government will support that application.

That is, the application to appoint a provisional liquidator. That is the only thing the Government has done.

The remainder of the Ministerial statement contains nothing but retreat and a non-acceptance of any degree of Ministerial responsibility by the Attorney-General in an area of his responsibility. So, as with the statement concerning the casino inquiry, the Attorney-General has gone to extraordinary lengths to hide the truth, as he did last week concerning criticism by the judge of the Attorney-General's weak and totally unacceptable performance throughout the course of the inquiry. Today, the Premier, as Attorney-General, has said that one of the old est companies in this State has collapsed and that he accepts no responsibility for it. He does not say, "I did not do my work, so tens of thousands of Victorians and Australians are in trouble and I do not intend to do anything about it".

On page 3 of the Ministerial statement, it is stated:

> It must be said that neither the Trustee Companies Act 1958, nor the Companies (Victoria) Code gives the Attorney-General any specific authority over trustee companies as such. Further, neither the Act, nor the code, imposes any particular obligation on a trustee company to report any adverse matter affecting the operation of the company to the Attorney-General.

What a cop-out.

Mr Maclellan—Who has been the Attorney-General?

Mr KENNETT—The honourable members should ask not only: Who has been the Attorney-General, but also: Who has been the Premier of this State? Those are two entirely different jobs, and one of them is not being carried out by the incumbent. Victoria has a *de facto* Attorney-General, and it has this individual who must accept Ministerial responsibility when things go wrong—and things are consistently going wrong—and he washes his hands of all responsibility. How much more does this individual have to accept in terms of criticism from his peers of his performance and in terms of accepting Ministerial responsibility, and how much more hardship will Victorians have to suffer before he realizes that he cannot do both jobs?

The Premier stated that the Trustee Companies Act does not give the Attorney-General any specific authority, but there can be no doubt that he is responsible for administering this legislation.

For weeks and months, rumours have been floating around the financial world about the operations of the company. More importantly, its March report indicated a loss. Victoria does not have many trustee companies, but the Minister in charge of them had no time to devote to them and no interest in them; nor did he have the professionalism to do what would be expected of any other Minister, in terms of responsibility. How many times have honourable members heard the Premier criticize Ministers of former Governments concerning

Ministerial responsibility for their actions or for the non-compliance of their departments with the needs of the community? Suddenly, now that he has come into government and is both Premier and Attorney-General, Johnny-come-lately is washing his hands. He is not applying to himself the same degree of responsibility that he asked of others. It is a case not of do as I do but of do as I say.

The Attorney-General has tried to pull the wool over the eyes of members of this House and the rest of the community. The honourable gentleman has to recognize that he is a failure as an Attorney-General because he has not done what any normal Minister is expected to do or is charged to do when he takes the oath of office for an area of responsibility.

I shall tell honourable members what the Opposition would have done. I would have spent enough time in my office to know what was happening in those areas for which I was responsible. It is not good enough that a March report was made public and a loss recorded. The Attorney-General did nothing about it. In March his department began to fear what was happening with Trustees Executors and Agency Co. Ltd and undertook certain investigations, but the Attorney-General admitted the other day that the first he knew about difficulties experienced by the company was five days before it went into receivership.

Where was the Attorney-General the rest of the time? What was the Attorney-General doing? He simply was not doing the job a full-time Attorney-General would have done. A full-time Attorney-General would not only have seen the annual report and learned about what his department was doing but also would probably have been in touch with the financial and legal communities enough to hear rumours about the company for which he was responsible under the Act, but the Attorney-General was nowhere to be seen.

Let me take it a step further. The Attorney-General was so concerned about the interest of Victorians and the good management of the State that at the time he first heard about the company being in difficulty—months too late unless he has other information he would like to disclose here today or at another time—he did not then inform those responsible for investigating the community's money in trustee companies in order to protect Victorians at large.

I agree there is a great deal of difference between using privileged information to benefit oneself by withdrawing any money one may have invested and using the privileged information to inform anyone else in the Government not to invest money because a company is in serious trouble.

I am not accusing the Government of using privileged information in terms of withdrawal. The Government behaved correctly regarding the withdrawal procedures which only started after the receivership was made public, but the Attorney-General obviously did not inform anyone else in the Government not to invest money with the company because the company was in serious trouble.

Where did the Attorney-General get his advice? The Treasurer said, "It is not my responsibility. Don't blame me, I was away. It was his fault." Either the Attorney-General and Premier was the only one who received the information and kept it to himself or he has misled the House in statements made to it.

Honourable members find themselves in an amazing situation where Victoria has an incompetent Attorney-General. He is incompetent because he is not devoting time to his responsibilities. The Premier and Attorney-General was naive if he had information and did not tell anyone else. Victoria invested $3 million in the company the day before it went into receivership.

At that stage, there were already companies in Melbourne which for weeks had not been investing money in this company because of the rumours. Many questions must be answered in the interests of the public of Victoria.

There are many answers to questions that the Premier is not prepared to give, either as Premier or as Attorney-General. This was the man who promised Victoria open government. It is a joke. Not only has there not been Government policy by this Government, but also no Ministerial responsibility has been accepted by the Premier and Attorney-General to the oath of office that he took and to the principle that more frequently and publicly has been expressed by

him in months past about the responsibilities of Ministers of previous Governments.

At page 4 of the Ministerial statement, reference is made by the Attorney-General or Premier, under whichever hat he was wearing when he made the statement to the House—honourable members do not know whether he made that statement as Premier or as Attorney-General, and the public cannot tell the difference, either—that:

> These funds were used by the company in its property dealings amongst other things.

The Government has done absolutely nothing to assist these people in any way. I suggest to the Premier and the Attorney-General that the Government should immediately establish a committee of those people who invested funds in this company so that the Government can exercise its position of assisting the people whose funds have apparently been misused by the company and who also are being ignored and neglected by the Premier.

It is totally unforgivable for the Government and this Attorney-General or Premier to simply ignore the suffering that is being felt throughout the community by small investors who quite honestly expected that their investments would be used for trustee securities whereas in fact those funds have not gone into trustee securities. Trustee companies are the responsibility of the Attorney-General, but that honourable gentleman will accept no responsibility. I call on the Attorney-General and the Premier to start exercising some responsibility towards those people who have been so badly mistreated.

Also on page 4 of the Ministerial statement is a magnanimous gesture by the Attorney-General or the Premier—as my Deputy Leader says, it is only a gesture. The honourable gentleman states:

> I have written to those directors to make clear their obligations.

What a marvellous act. The Attorney-General has obviously set out as either Attorney-General or Premier—I ask the honourable gentleman did he write this letter as Attorney-General or Premier? The honourable gentleman will not answer: He will not even answer the most simple questions. He will not advise honourable members whether he wrote the letters as Attorney-General or Premier. He is dumb, mute, negligent and incompetent. It is about time that the honourable gentleman started accepting responsibility for what is supposed to be open government on behalf of the people of Victoria. What a cheek for the honourable gentleman to act in this way.

Let me examine what this means. John Cain—honourable members do not know whether he is acting as Premier or Attorney-General or as chief of some Labor Party slush fund—has written a letter to the directors making clear their obligations. That is a great help to those investors who have invested funds in the company and on whose behalf John Cain should be taking some action. It is too late now because the money has flown. All that this Leader of the Victorian Government can do is write a letter when it is too late.

Already four directors have resigned. On the day when the company went into receivership, I understand that one of the leading officers of the company placed his house on the market, which was sold a week ago.

Well done, Attorney-General and Premier! You have lost out again; explain that to the people! How many more letters will the honourable gentleman write as the money leaves the State and country?

Mr Maclellan—The letter is still in the letter box.

Mr KENNETT—The Attorney-General probably has not signed it because he told the House last week that he got in touch with the National Companies and Securities Commission and instructed it to start work. Today, he asked leave of the House to attach the terms of reference and directions and honourable members find that they are dated 30 May—yesterday. What a man of action!

This man, John Cain—I cannot refer to him as the Premier or Attorney-General because he will not inform the House which hat he is wearing—has said to the tens of thousands of Victorians and Australians who have lost money saying, "Have no fear, John Cain has written the directors a letter." How absolutely and totally miserable.

At the top of page 5, John Cain—concerned citizen, man of action, open-government—Premier of Victoria and part-time Attorney-General, states that he has written a letter and said, with all the strength of his office to wield:

> I have indicated to them that, in my view, it would be improper for them to change their financial position so as in any way to prejudice their obligations under these Acts.

What an incredibly strong letter! That will frighten hell out of all the people who, according to the Attorney-General's and Premier's own Ministerial statement, have helped themselves or misused tens of thousands, if not millions of dollars. However, John Cain has written a letter. I am sure, as they sit back and abscond with the money or continue to misuse it, they will hold up this document and frame it, as they will have their funds all around them untouched by Governments and various inquiries.

At page 5, this great man of action and deeds has gone on further to state:

> We shall not do anything to prejudice the present legal rights and entitlements of beneficiaries.

What does that mean?

Mr Maclellan—It means they will not do anything.

Mr KENNETT—It is another commitment of non-action and non-concern. To make the whole matter an absolute farce, the statement continues:

> However, there may be some persons who have neither the money nor the capacity to replace T.E.&A. and we shall ensure that those persons are safeguarded.

I ask the Attorney-General and Premier, or any Minister who happens to accept any degree of responsibility, how is the Government going to safeguard those persons who need Government protection and assistance? I ask the Premier and the Attorney-General, who is not even listening to this contribution——

Mr Shell—Why do you not say something?

Mr KENNETT—Let it be known that the honourable member for Geelong West is blindly supporting his Premier and Attorney-General today against the interests of his constituents who have been associated with the company. The Opposition is saying to the Attorney-General and Premier that it is not satisfied, as an Opposition, and it does not think the community will be satisfied with a Ministerial statement that says that the Government will introduce safeguards and then in no way spells out what those safeguards will be. I do not think the community will be satisfied with a Government that is prepared to write letters to directors of companies who are responsible for millions of dollars and then take no further action, particularly as the Premier was in receipt of the information weeks ago and could have started action then. It is only now, weeks later, that the Premier, with his Ministerial responsibility under the portfolio of Attorney-General, is starting to do anything.

The Attorney-General has expressed his concern in a Ministerial statement, but he has not given any commitment to safeguard and protect the interests of those concerned. I ask the Attorney-General a question that can justifiably be asked not only by the Parliament but also by the community: What are the safeguards that are referred to in the Ministerial statement that the Government is prepared to introduce to protect the interests of those Victorians who have suffered?

Let the record show that, once again, the Attorney-General will not even answer a simple question that arises from the Ministerial statement. If the Opposition cannot obtain the answer, it is to be hoped that the answer will be obtained by some people in Victoria to whom the Attorney-General may feel some obligation to provide an indication of the guidelines that are necessary to protect those people who have been affected by the collapse of the Trustees Executors and Agency Co. Ltd.

Once again, the Attorney-General has washed his hands of all responsibility for the activities of the Law Department. The honourable gentleman has now done that twice in the past two weeks. If the Attorney-General will not accept responsibility for administering Acts of Parliament, he must hand over that portfolio to someone who has the time and interest to properly perform the job. The honourable gentleman can no longer continue to hold both portfolios of Premier and Attorney-General. Again today, the honourable gentleman has

washed his hands of all responsibility for the Law Department.

Victoria has no senior legal officer. The role of Attorney-General is too big and too important to be misused and to be held by a Premier who is desperate to prove to some sections of the community that he can hold two portfolios. Indeed, a legal colleague of the Attorney-General has claimed that the Attorney-General has interfered with the activities of the National Companies and Securities Commission and has not performed the role expected of an Attorney-General. The Opposition has called for a full judicial inquiry into the collapse of the Trustees Executors and Agency Co. Ltd. One week ago, when this matter was raised in the Parliament by the honourable member for Westernport, the Attorney-General indicated that he has heard nothing new in the matters that had been raised.

Today, not only has the Attorney-General heard some new matters, but he has also heard of the call by the Opposition for a full judicial inquiry. Victorians can be satisfied with nothing less than a full judicial inquiry into the collapse of this company. The operation of trustee companies must be guaranteed by the Government.

The Attorney-General and the Treasurer are engaging in a conversation. No doubt the Attorney-General and the Treasurer are trying to work out what happened to $3 million of Government funds. It may be that if the two honourable gentlemen speak a little louder, all honourable members will obtain some more information. It may be that the two honourable gentlemen are discussing the incredible Budget deficit and the way in which Victoria is heading towards bankruptcy. Who knows! However, it is certain that the two honourable gentlemen are not discussing the collapse of this company or the effects of the collapse, because neither of them care.

The Premier has many questions to answer and he cannot continue to avoid the questions that are continually being asked of him and of the Government as to his personal performance, or the lack of it, and the position of the Government. In terms of its ability to institute modern management techniques, three days or a day before a company goes into receivership, we are so finely attuned with this Treasurer, this Attorney-General and Premier, that the Government can invest $3 million of the public's money in a company in which no one is investing one day before, and most companies were not investing ten days before. How does that all happen? It is because Victoria has a Premier who knows everything that is happening from five days on and does not confide in his Treasurer; the Treasurer goes on holidays—and I suppose he needs a break because anyone would need a break with a $3000 million deficit facing him. The Attorney-General, or the Premier, does not inform the Acting Treasurer, and those modern management techniques lead to investing $3 million of the taxpayers' money in a company one day before it goes into receivership.

The Opposition demands the resignation of the Attorney-General of this State from that position. The Opposition demands, on behalf of the people of Victoria, and particularly those who have invested funds and had their funds misused by this company, a full judicial inquiry into this matter. The only thing that remains in question now must be the credibility of this Premier and Attorney-General. If he is not prepared to introduce safeguards, if he is not prepared to resign or to start a judicial inquiry into this matter, not only will his credibility as Attorney-General called into question but also his credibility as Premier of this State. At this stage, the Opposition has nothing but a great deal of contempt for and disillusion about the way in which this Attorney-General has exercised his responsibility during the thirteen months he as been in office.

Mr ROSS-EDWARDS (Leader of the National Party)—Today, honourable members heard a Ministerial statement concerning the tragic and sad affairs of the Trustees Executors and Agency Co. Ltd. The first question that must be asked is who made the Ministerial statement, Two different offices are held, through which the statement could have been made. Those two offices happen to be held by the same person. Was the Ministerial statement made on behalf of the Government by the Premier of Victoria or was it made on behalf of the Government by the Attorney-General? The question remains unanswered.

This is a sad and disturbing Ministerial statement. It announces, among other thing, the liquidation of the Trustees Executors

and Agency Co. Ltd, which is a company that has played a significant role in the trustee field in Victoria for the greater part of the past 100 years. The statement tells honourable members quite a lot about the disastrous position in which that company found itself. However, the significant point is that the statement tells honourable members nothing that is news to anyone in this Chamber, any investor in the company or, for that matter, any person in Victoria. The only thing it tells honourable members is that the company will be liquidated. Everything else is old news and old hat. The news had been in the newspapers days and even weeks before. So far as the liquidation is concerned, I suppose the fairest thing that could be said for the Premier, or the Attorney-General, is that he has beaten the media by minutes on that announcement. The statement says that the Attorney-General has no specific responsibilities. I point out that the Attorney-General has a serious and real responsibility for trustee companies.

Nobody should hide behind that. The Attorney-General has a real responsibility. At paragraph 2 on page 5 of the Ministerial statement the following appears:

> We shall not do anything to prejudice the present legal rights and entitlements of beneficiaries.

Paragraph 1 on the same page reads:

> I have indicated to them that in my view, it would be improper for them to change their financial position so as in any way to prejudice their obligations under these Acts.

It means nothing. It is a farce. If the Attorney-General wants evidence of his irresponsibility and incompetence, he should go back to the first week in March. The Trustees Executors and Agency Co. Ltd made a loss and paid a dividend. If Victoria had had a full time Attorney-General, this would have come to his notice. His advisors would have said to him, "The warning lights are flashing. The bells are ringing. Let us call them in for a conference." At that time the Attorney-General had no discussions with the company. This is one of the most serious financial disasters that Victoria has seen and it falls within the responsibility of the Attorney-General. One should not equivocate about it.

Why did not the Attorney-General make a move? The present Attorney-General has no day-to-day supervision of the Law Department. Honourable members opposite are interjecting and I know this is a touchy subject. It has been referred to me by leading people in the city of Melbourne. When the Premier formed his Government in April last year, he appointed Howard Nathan to the Law Department because he said the department was in a mess and he wanted people to help him. I accepted that in the short term but thirteen months have passed and we are into the fourteenth month and Howard Nathan is still there. He is commonly known as the *de facto* Attorney-General. No position has been created for him.

If he has not cleaned up the department in fourteen months, when will he clean it up? The Attorney-General needs him there and cannot do without him. Mr Nathan went over to the Constitutional Convention in Adelaide. The reason for that was that he is the *de facto* Attorney-General. In all but name he is Attorney-General.

An Honourable Member—So what!

Mr ROSS-EDWARDS—I realize that one should not take notice of interjections, but the position of Attorney-General is held by a Minister of the Crown, and Howard Nathan is not a Minister of the Crown; he is not in this place or another place in person and he is not subject to the disciplines of the Parliament.

The other question that I put to the Attorney-General is: What positive action is the Government taking in connection with other trustee companies?

Mr Ernst—Nationalizing!

Mr ROSS-EDWARDS—It sounds like the Hawke team at present—all speaking with different voices.

They are all speaking with a different voice, but I am sure it is not what the Attorney-General will say in his reply. He has to put up with some of the lesser lights on the back bench from time to time. There is not a word in the Ministerial statement when the Premier proposes to introduce legislation into this session of Parliament about the roles of trustee companies in Victoria in future. I have two questions; firstly, what is he going to do and, secondly, when

is he going to introduce legislation. Let there be no mistake: This legislation could well be one of the biggest in the history of Victoria.

Mr Brown—The biggest.

Mr ROSS-EDWARDS—I accept that.

The SPEAKER (the Hon. C. T. Edmunds)—The interjected wisdom of the honourable member for Westernport is out of order.

Mr ROSS-EDWARDS—I do not suggest that there is any wisdom there, Mr Speaker, but it is a very big and serious liquidation and, in my memory, it is one of the biggest I know of. What action will the Premier take—that is what one would expect to find in a Ministerial statement—and when is he going to take it? The Premier is absolutely silent on these two questions.

The other question concerns the $3 million Government investment. Is there any liaison between the Attorney-General's department, the Department of the Premier, and the Treasurer's department? Apparently there is none, because the Treasurer disowned the Premier last week when a question was asked. Because there is no liaison, the Government withdrew its investment, the public continued to invest and some of them lost big amounts of money as a result of their investments after the Government of Victoria withdrew its investment.

The Ministerial statement is deathly silent on who is going to inquire into the role of the Attorney-General in this matter. Obviously it is not within the ambit of the National Companies and Securities Commission to inquire into that; that is a matter for the State of Victoria; that is a matter for the Premier of Victoria to decide, and he has to decide, as Premier, who is going to inquire into the activities of the Attorney-General in this particular fiasco. I will leave it to the imagination of honourable members to work that out.

The third important question is—and I do not give it at the end of my speech, which I normally do, but I put it in the middle of it—when will this debate continue. It is an important matter, because there are many members of this Chamber who want to make a contribution. I know that the traditional procedure is to have one speaker from each of the two opposition parties, and then the debate is adjourned. The Premier and the Attorney-General, who is the same person, has a much more serious responsibility in this debate in regard to this Ministerial statement than to any other Ministerial statement I have listened to in my sixteen years in the House. He has to give an undertaking today when this debate will continue. Will it continue today? If not today, will the House resume sitting next week? There is no reason why the House could not sit next week or, if the Government for its own good reason did not want to sit next week, will a firm undertaking be given that the debate will continue the week after? I ask the Premier or the Leader of the House to give a specific answer to that question. It is a fair question, it is a proper question, and it deserves a responsible answer.

Mr Fordham—Thursday morning.

Mr ROSS-EDWARDS—I congratulate and commend the Leader of the House on the undertaking that he has given; whether that is taken up by the other parties depends on the National Party and the Opposition to determine.

The offer is accepted and welcomed. I do not want to say, "I told you so", but time and again since April 1982 I have put to the Premier precisely, politely and constructively that it was unwise, improper and practically impossible for him to occupy the joint roles of Premier and Attorney-General. I put it to him with some knowledge of the work involved and I have accepted the facts. I know no harder working member of Parliament than the Premier and no one who can carry out the role of Attorney-General better, given the opportunity of doing the job full time. I have given that praise to him in the past. It is not just my criticism that has been received.

Mr Cain—Where has the criticism come from?

Mr ROSS-EDWARDS—Criticism has been received from responsible sections of the media, both privately and in newspapers. The question of why the Premier is carrying out both jobs has been asked.

Mr Cain—Have you asked the profession?

Mr ROSS-EDWARDS—I did not ask the profession. I am not talking of the legal profession. I am talking about the National Party, the Liberal Opposition and the

media. I have spoken to many members of the profession, but it depends on who one contacts in the profession. I am a member of the profession and I have strong views on the matter.

This matter is a sore point in the Premier's armour. Recently, I pointed out a situation that arose in New South Wales. It is somewhat parallel to this matter. In New South Wales, the Attorney-General had to set up a Royal Commission to investigate the activities of the Premier. The Attorney-General took the initiative and Mr Wran stood down. That situation could not apply in Victoria because the one man holds both positions. The Premier became quite annoyed when I put that fact to him a fortnight ago. He took it as a personal insult. I later explained to him that it was not an insult. Nothing was proved against Mr Wran. They were only accusations, but serious accusations, and it was right and proper for him to stand aside, when he did. He was a big enough man to do so. The same set of circumstances could arise in Victoria. The Premier became cross and cranky and said it was an insult, although it was not meant that way. A fortnight later a real conflict of interest has arisen between the Premier and the Acting Premier. Despite what the Premier will say, the public will make its decision and this House will make a decision. If there is a conflict of interest, the Attorney-General must bear some of the responsibility for this serious retrogradation in the trustee field. In the first week of March, the Attorney-General had a responsibility to exercise, but did nothing. He took no personal role in the matter.

Mr Cain—They did.

Mr ROSS-EDWARDS—Somebody else made inquiries, decided nothing else should be done and told the Attorney-General that later. That person made inquiries and did not tell the Attorney-General. He read newspapers on the matter that concerns him and threw that aside, taking no interest in it.

This State will not continue to tolerate Howard Nathan as a *de facto* Attorney-General. New proposed legislation dealing with trustee companies must be introduced during this sessional period; I mean this week, next week or, at the latest, the week after next. Honourable members have heard nothing. There must be a programme established but nothing was said in the Ministerial statement about the possibility of proposed legislation being introduced or, if so, what it might contain.

Honourable members received with the Ministerial statement an instrument of direction given to the National Companies and Securities Commission. The instrument is dated 30 May 1983, yesterday. I understand from questions asked of the Attorney-General that he had communications with the National Companies and Securities Commission previously.

I asked the Attorney-General why copies of those communications had not been tabled with the Ministerial statement.

Mr Maclellan—Because they were not in writing.

Mr ROSS-EDWARDS—I do not know. I am not making any accusations. Communication has been made with that body, the formal direction dated yesterday, which has been tabled. There were previous communications. The last question I asked of the Leader of the House received a first-rate and satisfactory answer. Another question I asked was whether the previous communication or communications and answers thereto would be tabled so that subsequent speakers in the debate would be able to take advantage of that information.

Mr Kennett—So that they can see who is telling the truth!

Mr ROSS-EDWARDS—It is not a matter of who is telling the truth but a matter of having the full information before the House. It would appear that CID holders, those persons who invested money without security, will be heavy losers. The Attorney-General keeps saying, "What can I do? I have done nothing. What can I do? I have no plans." I shall make some practical and sensible suggestions.

My first suggestion is that there should be an inquiry held into the lack of action taken by the Attorney-General beforehand. My second suggestion is that the Attorney-General should call together or have called together—Howard Nathan could probably do it—the CID holders. A meeting should be held which would give the holders the opportunity of asking questions and perhaps forming a committee which could act

together with the receivers and the Attorney-General with a view to looking after their interests because those people have a real interest in the assets of the Trustees Executors and Agency Co. Ltd. They are interested in how those assets are disposed of and how much they will receive for them.

I put those suggestions to the Attorney-General, who should use his good offices—which is the expression used in the Ministerial statement—to call those people together so that they can have real representation to the directors, to the liquidators and to the Attorney-General. Something could be done in that way to protect their interests. These people are not known to each other. If someone has to organize a meeting and pay for it, it is unfair for people who might face a total or substantial loss on their investment to have to pay for it.

The time has come for the State to have a full-time Attorney-General. The time has come for a State inquiry to be established to investigate why this Government was not aware earlier of the problems facing the Trustees Executors and Agency Co. Ltd.

It was public knowledge in the first week in Melbourne. Investment and business continued after that with the disastrous result for many thousands of investors in this State.

On the motion of Mr FORDHAM (Minister of Education), the debate was adjourned.

It was ordered that the debate be adjourned until next day.

APPROPRIATION MESSAGES

The SPEAKER (the Hon. C. T. Edmunds) announced that he had received messages from His Excellency the Governor recommending that appropriations be made from the Consolidated Fund for the purposes of the following Bills:

Stamps (Amendment) Bill
Motor Accidents (Applications) Bill
Associations Incorporation (Amendment) Bill
State Board of Education Bill
Police Regulation (Amendment) Bill.

The SPEAKER (the Hon. C. T. Edmunds) 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 the Transport Bill.

EQUAL OPPORTUNITY BILL

Mr CAIN (Attorney-General)—I move:

That this Bill be now read a second time.

Its purpose is to implement the Government's policy for the promotion of equal opportunities for all Victorians. In 1977, the Equal Opportunity Act prohibited specific acts of discrimination on the basis of sex or marital status. Last year the Government's Equal Opportunity (Discrimination Against Disabled Persons) Act added impairment as a ground of unlawful discrimination. The consolidating Bill repeals both the 1977 and 1982 Acts so that all of the equal opportunity provisions will be presented in a coherent manner.

It should be emphasized that the Equal Opportunity Act 1982 passed so recently by Parliament has, insofar as is grammatically consistent, been reproduced in this Bill. It is for the purpose of clarity and not for reopening debate, that the 1982 Act will be formally repealed and re-enacted.

The major objectives of the Bill are:

(1) To widen the grounds of unlawful discrimination;

(2) To make sexual harassment unlawful;

(3) To recast the exemption provisions of the existing legislation; and

(4) To facilitate the administration of the Act by strengthening the investigation, conciliation and enforcement provisions.

GROUNDS OF UNLAWFUL DISCRIMINATION

As mentioned, the current bases of unlawful discrimination are sex, marital status and impairment. It is the view of the Government that other undesirable areas of discrimination should be made unlawful. The major impact of anti-discrimination legislation is educative but, where necessary, a policy of equal opportunity must be supported by effective remedies, and such protection should extend to as many classes of persons as possible. With this in mind, the Bill makes it unlawful to discriminate on the ground of status or private life.

The concept of "Status" includes the sex, the marital state, the race or the impairment of a person. These factors are all matters where legislation to combat irrelevant legislation against persons is common.

The inclusion of race—being race, colour, nationality and ethnic or national origin—as a ground of unlawful discrimination, is an essential requirement in a multicultural community such as Victoria. A fundamental, internationally recognized, human right is equal treatment, irrespective of the individual's race. Australia's ratification of the United Nations Covenant on Civil and Political Rights constituted a promise of protection of rights, irrespective of race, colour or ethnic origin, a promise that the Victorian Government totally supports.

On 19 May the High Court delivered judgment in the Viskauskas case. This case involved a challenge to the validity of the New South Wales anti-discrimination legislation insofar as it related to discrimination on the ground of race. In a unanimous decision the High Court has ruled that these provisions are in conflict with the Commonwealth Racial Discrimination Act and therefore invalid. The Commonwealth Attorney-General has given an undertaking that the legislation will be amended to enable the States to legislate against discrimination. The Government will welcome submissions concerning the implications arising from this case. Some House amendments may become necessary, but we propose to proceed with the Bill in its present form.

The Bill makes it unlawful to discriminate, on the basis of race, in employment, education, accommodation and the provision of goods and services. In respect of the provision of goods and services, the interests of minority racial groups in the preservation of their cultures is recognized, and entitlement of access to special services is recognized if that access meets the special needs of the group in respect of education, training or welfare.

The existing definition of "marital status" has been extended to include parenthood and *de facto* spouses. A person should not be subjected to detriment through exercising a freedom of choice to marry or not, or to bear children. Insofar as decisions such as these are irrelevant to contractual relationships, the Bill affords protection against unequal treatment of persons.

The concept of private life contains three elements—lawful political belief, religious belief or disbelief and sexual preference. It is the view of this Government that a person's truly private lawful belief or activity is irrelevant to his employment, education, occupational standing, accommodation or receipt of goods and services. In introducing the concept of "Private Life" into the equal opportunity sphere, the Government is providing a legislative statement and protection of the fundamental rights of belief and expression.

In order to continue to protect religious activities, the general exemption for religious bodies has been retained. In addition, it will be unlawful for persons to discriminate against others on the basis of religious belief or disbelief in the areas of employment, education, occupational standing and in providing goods and services.

Similar provision is made in regard to lawful political belief and activity although members of this House may be relieved by having their attention drawn to clause 21 (4) (*c*) which is an exception concerning the offering of employment to a person as a Ministerial advisor, member of the staff of a political party, member of the electoral staff or a person in like employment. We view these beliefs and activities as basic human rights and discrimination because of the expression or exercise of such a right should not and will not be tolerated in a democratic state.

The third aspect of private life is sexual preference. I cannot overstress the importance of the application of the proposed legislation to lawful activities. The Crimes Act 1958 and the Summary Offences Act 1966 contain a variety of offences relating to sexual behaviour. This Bill in no way affects those proscriptions. In particular, it is a criminal offence for adults to sexually exploit children and young persons, and it is appropriate that criminal sanctions should apply to those activities.

However, as with religion and politics, so long as behaviour is lawful, a persons's sexual preference should be his or her own affair. It is the Government's view that the criminal law clearly outlines what is unacceptable sexual behaviour by providing

sanctions. The freedom of choice to engage in or refuse to engage in lawful sexual activity must not be restricted by fear of detriment in the employment, educational, occupational or goods and services areas. It is the Government's belief that the addition of private life to the existing equal opportunity framework represents a significant step in enhancing the freedom of expression and choice which is an inalienable human right.

Other changes under the legislation relate to Part III—"Discrimination to which this Act applies". The current legislation excludes employment situations where the total number of employees does not exceed five. This number has been lowered to three, reflecting a balance of recognizing the more private nature of small employment environments as against the desirability of extending protection to as many employees as possible.

Clause 31 makes it unlawful for a member or members of a municipal or shire council to discriminate, other than on the basis of political preference, against another member by subjecting that other member to detriment in the performance of his or her functions. Any person duly elected to local government office should be able to discharge the responsibilities of that office and represent the interests of their electorate without being subjected to scorn, ridicule or attack, by their fellow councillors, on the basis of their status or private life.

SEXUAL HARASSMENT

The laws of any civilized society condemn coercion, extortion or blackmail. Yet, there is clear evidence that many Victorians have to tolerate, in order to avoid detriment, a restriction upon their freedom to accept or reject sexual advances. The potential detriment may be as severe as loss of employment, loss of income or loss of accommodation. The impact of loss of self-esteem is incalculable and the denial of freedom of choice intolerable.

The Bill aims to protect every person's right to accept or reject sexual advances. It will be unlawful for employers, supervisors or teachers to sexually harass employees or students, or permit fellow workers to sexually harass employees.

Employment, goods and services or accommodation contracts linked with sexual advances will be unlawful. It is not the intention of the Government to legislate on "good manners" but it is our intention to provide sanctions, and in the discretion of the Equal Opportunity Board, quite substantial sanctions, to afford a remedy against what could only be described in some cases as extortive practices. The sexual harassment prohibitions extend to all employment, irrespective of the number of employees, because of the significant evidence and the vulnerability of sole or small group employees.

EXEMPTIONS

Continuing the theme of maximum promotion of fundamental rights and freedoms, the general exceptions have been recast to accommodate the additional grounds of discrimination. Pensions, superannuation, charitable benefits and, as mentioned before, religious bodies remain exempt from the application of the Act. The philosophy underlying the exemptions in respect of social and like organizations is the promotion of freedom of association for the sharing of mutual interests. However, with the exception of organizations for the advancement of defined groups, discrimination on the bases of status or private life will be unlawful if the activities of the organization take place on Crown land or receive State or local government funding. Organizations wishing to maintain exclusivity, of whatever nature, are free to do so but this Government will not make available, to general organizations engaging in unacceptable discrimination, public moneys or access to public property.

Excluded from the ambit of the Act are genuine positive discrimination or affirmative action programmes. If a plan, programme or arrangement is for the benefit of previously disadvantaged classes of persons, designed to achieve more equality of opportunity, the discrimination provisions are of no application. This exception is aimed at bona fide programmes, which have as their objective the prevention or reduction of disadvantage.

Clause 39 reiterates the current power of the Equal Opportunity Board to grant temporary exemptions from the provisions of the Act.

COMPLAINT: INVESTIGATION, CONCILIATION AND ENFORCEMENT

The Bill contains several changes to the existing machinery with a view to facilitating effective administration of the equal opportunity legislation.

1. The Commissioner of Equal Opportunity is required to investigate both complaints lodged with the Registrar of the Equal Opportunity Board and matters referred by the board. The commissioner's role is investigative, conciliatory and negotiation orientated. The board's function is adjudicative. With the passage of the Bill, the commissioner's investigation powers will be the same whether the matter arises by way of complaint or reference from the board.

2. At present, the commissioner only has power to act upon complaint or board reference. Experience has shown that an investigation of a complaint often reveals cogent evidence of other acts of unlawful discrimination. If the complaint is withdrawn, not an uncommon occurrence given the nature of matters being investigated, the commissioner has no power to proceed. The Bill provides for investigation of those suspected of discrimination practices, other than that constituting the basis of the complaint, by the commissioner. The emphasis upon the commissioner's negotiation role is retained.

3. To assist complainants who live outside the metropolitan area in the preparation of a complaint, it will be possible for complaints to be lodged with the clerk of a Magistrates Court.

4. The present penalty for failing to comply with an order of the Equal Opportunity Board is $1000. It is a demonstration of this Government's view of the seriousness of discriminatory practices that the penalty for contravention of an order of the board will be set at $2000, 20 penalty units, and $500, 5 penalty units, for each day of a continuing contravention.

5. The Bill gives the board a discretion to award costs, but only in extreme cases, that is, if a complaint is frivolous, vexatious or totally lacking in substance, or if the respondent has behaved unreasonably. This new power will go towards ensuring that the mechanisms for redress are not unduly hampered by trivial matters or unreasonable strategies of respondents.

6. The Equal Opportunity Board's proceedings are currently subject to appeal to the Supreme Court by way of re-hearing. The Bill proposes to limit that right of appeal to a question of law only. Uniformity is achieved by the analogy between orders of the board and those of a Magistrates Court.

In conclusion, the total Bill represents a legislative initiative never before attempted by an Australian State. It provides a comprehensive and coherent approach to anti-discrimination measures and reflects a careful balance of a broad spectrum of community and individual interests, and the promotion of equality of opportunity for all Victorians. I commend the Bill to the House.

On the motion of Mrs SIBREE (Kew), the debate was adjourned.

It was ordered that the debate be adjourned until Tuesday, August 9.

SUPERANNUATION (FUND CONTRIBUTIONS) BILL

Mr SIMPSON (Minister of Public Works)—On behalf of the Treasurer, I move:

That this Bill be now read a second time.

Its purpose is to provide that a lump sum payment made to persons converting portion of their pension entitlement to a lump sum is not reduced. Since May 1976, persons in receipt of pension benefits have had certain rights to convert portion of these benefits to lump sums. When such right is exercised, the whole of the lump sum is paid from the State Superannuation Fund and the Consolidated Fund continues to pay full pensions appropriate to the Government's contribution.

Payments made by the board in respect of pensions to former contributors and surviving spouses are updated annually by the consumer price index; however, no updating applies to the amount payable by the Government in respect of the pensions converted to a lump sum. At the commencement of the legislation, it was assumed that the Superannuation Fund would lose interest at the rate of 6 per cent per annum on that portion converted to a lump sum relating to the Government's share of pension. With the over-all increase of interest

rates, this has resulted in the Superannuation Fund being deprived of income.

The Government has now agreed to update by the consumer price index the amount of pension converted representing the Government's share in respect of those persons who exercise their right to convert pension to a lump sum on or after 1 January 1983. This amendment will place the Victorian State Superannuation Fund in a similar position to the superannuation funds of South Australia and Tasmania which have received updating of the Government's share of pension converted since inception. The cost to the Government in the first year of operation, that is 1983–84 financial year, will be in the vicinity of $75 000.

The Government has given an undertaking to the various employing associations to introduce this legislative measure. I commend the Bill to the House.

On the motion of Mr RAMSAY (Balwyn), the debate was adjourned.

It was ordered that the debate be adjourned until Tuesday, August 9.

NUDITY (PRESCRIBED AREAS) BILL

Mr CAIN (Premier)—I move:

That this Bill be now read a second time.

Nude swimming and sunbaking on public waterfronts has been a popular and accepted recreational activity in many parts of the world, including parts of Australia, in recent years. It is a recreation enjoyed both by those who are members of private nudist clubs and those members of the general public, including families, who find it a natural, healthy and relaxing activity, particularly in the summer months.

It is clear that this activity has growing public acceptance as a legitimate recreational activity for those who wish to engage in it. Elsewhere in Australia, the public demand for a facility where the wearing of bathing costumes while swimming and sunbathing is lawfully optional has already been met. New South Wales, South Australia, the Northern Territory and the Australian Capital Territory, have all introduced official optional-dress bathing beaches since 1975. These highly-used official areas—four in New South Wales, three in South Australia and one each in the territories—are of course not exclusively set aside for nude bathing. They are available to the public generally, but nude bathing is not in these areas considered "offensive" or "indecent" under the law, and signs warn the public of the likelihood of encountering nude bathers within the designated areas.

In Victoria, many individuals and nudist groups such as the Free Beaches for Victoria Committee and the Australian Nudist Federation, have since the mid-1970s made representations to the Government for similar facilities to be provided in this State. In 1976, an Australia-wide Gallup poll supported the setting aside of a beach for legal nude bathing. An *Age* poll held in 1978 indicated that 72 per cent of Victorians favoured the setting aside of secluded areas for use as optional-dress beaches. In spite of this indication of strong community support, and numerous petitions, submissions and deputations to the Premier and various Ministers of the previous Government, no facility has been provided.

Nevertheless, several beaches around the coast and in the metropolitan area have been used as unofficial optional-dress beaches. People bathing nude at these beaches risk prosecution for "offensive behaviour" under the Summary Offences Act and many people have in fact been convicted for this offence, particularly in the Geelong area in 1980 and 1981. Many of the arrests and convictions for nude bathing might reasonably be said to have resulted from the confusion engendered by the previous Government over this whole issue. That Government declined to set aside any area for use as an optional-dress beach, but made statements such as "nude bathing is not illegal in itself" and "the best solution to the whole question of nude bathing is probably for people who wish to indulge in this activity to find a secluded beach where no one would bother them". The beach at Point Impossible near Torquay was named in 1981 by the then Minister for Police and Emergency Services as a "secluded beach", although people who subsequently bathed nude there were arrested and charged with offensive behaviour by the local police.

The issue of the inconsistency between Ministerial statements and police action has been highlighted in the Melbourne and regional press, and it was taken up by the Ombudsman following complaints that the

prosecution of nude bathers was unreasonable. The issue received attention in his 1982 annual report. The report detailed a number of concerns with respect to this issue, concerns which are shared by the Government and which it proposes to resolve by the introduction of this Bill.

The Ombudsman was concerned not only by the apparent inconsistency between Ministerial guidelines and the actions of police towards nude bathers, but by the inconsistency in the application of the law itself: While many individuals were arrested for offensive behaviour for sunbathing nude, other people bathing nude on a public beach near Torquay on "World Nudists Day" were not. The Ombudsman was also concerned that a conviction for offensive behaviour seemed quite inappropriate for nude bathing, as the concept of offensive behaviour constitutes a more serious offence than lying naked on a secluded beach.

As well as causing difficulties for members of the public, the confusion which has existed over this issue has placed the police in a most invidious position: "If action is taken in accordance with the law they will be criticized—if no action is taken they will be equally criticized". The Ombudsman emphasized the need for clarification of the issue as soon as possible to avoid continued difficulties and I believe the Nudity (Prescribed Areas) Bill will achieve this purpose.

The purpose of the Bill is to lawfully permit nudity in certain public places. The Government's objective in introducing the Bill is to set aside areas for use by those members of the public who wish to sunbake or swim naked without risking criminal prosecution. This type of Bill is long overdue in Victoria.

In a community as diverse as ours and a society where freedom of choice is valued, it is not unreasonable for those who wish to enjoy nude bathing to have some provision made for them. The Government believes it is possible to provide areas where persons who wish to do so may bathe and sunbake nude without infringing upon the rights of those who find it offensive. Certainly, there are enough beaches in Victoria to allow for a diversity of personal styles and activities.

Clause 1 states the title of the Act to be the Nudity (Prescribed Areas) Act. I must stress that the Government does not propose to prescribe any areas for use exclusively by nudists. The areas to be designated will be optional-dress areas, that is, they will be available for use both by clad and unclad bathers.

Clause 2 provides for notification of any areas prescribed under the Act to be made by way of the *Government Gazette*. Provision is also made for times during which such areas may be used for nude bathing to be specified. This provision will permit flexibility in the designation of areas, for example, facilities such as public baths may be designated on, say, one day per week, to allow freedom of choice for local residents. There is provision in the Bill for the revocation of any notice, in the unlikely event that difficulties and problems arise as a result of the use of an area as an optional-dress facility. There is also provision for copies of any notices to be published in a newspaper, so that the public is kept informed of the Government's moves in this area.

Clause 3 expresses the central provision of the Bill. It provides that a person does not by reason only of being naked in a prescribed area commit an offence against a law in force in Victoria. It has been argued that nudity of itself does not, under the current law, constitute the offence of "offensive behaviour". The opinion of Mr Justice Pape in the Supreme Court, *Inglis versus Fish* 1961 *Victoria Reports* 607, was that public nudity may occur without giving rise to an offence. In view of this finding, a committee on optional-dress bathing was established in my department last year to make recommendations in respect of the most appropriate means of providing for this activity in Victoria. The committee examined the option of simply directing police not to prosecute for offences, which consist only of being naked in designated areas. This arrangement was the one adopted in New South Wales and appears to work satisfactorily there. However, I strongly concurred with the committee's recommendation that it is not appropriate for the Government to require the police to become involved in selective policing, whereby they are asked to turn a blind eye at certain locations to what they may consider is offensive behaviour under Victorian legislation.

This simple Bill will clarify the situation for both the police and the public alike. It

will enable those who wish to engage in nude bathing to enjoy this recreation, in areas prescribed for this purpose, without fear of prosecution. Of course, the law still provides for the prosecution of persons, whether clad or unclad, who behave in what could be considered an indecent manner in designated areas, and for those who are naked in public other than in a prescribed area. However, the experience of South Australia, New South Wales and the Australian Capital Territory in these matters is that few such problems occur and the beaches are generally well conducted.

The Government proposes to designate areas for optional-dress bathing in time for the summer of 1983–84. This proposal has been set in train by the Government inviting local government throughout the State to indicate whether areas in their municipalities might appropriately be so designated. A number of municipalities have already indicated a willingness to have areas designated for optional-dress use, and as discussions with local government are continuing, I expect other such indications will follow.

Each prescribed area will be carefully defined and signs will be placed to advise the public that both clad and unclad bathers may use the reserve and, accordingly, to warn those likely to be offended of the likelihood of encountering naked persons within the boundaries. Normal beach patrols will be conducted by the local police to ensure smooth running of the areas generally.

A review of the operation of the first season will be carried out next year. The Government will consider the results of the review prior to taking any further action in respect of designation of areas and the conduct of this recreation generally.

Through the Bill, the Government is pleased to be providing a freedom of choice which has the support of the majority of Victorians and to be clarifying a situation which has been unnecessarily confused for far too long. I commend the Bill to the House.

On the motion of Mr TEMPLETON (Mentone), the debate was adjourned.

It was ordered that the debate be adjourned until Tuesday, August 9.

STATUTE LAW REVISION BILL

Mr CAIN (Attorney-General)—I move:

That this Bill be now read a second time.

The Bill implements the recommendation of the Statute Law Revision Committee in its report of 8 March 1977 that such a Bill be presented to Parliament every twelve months.

As is usual with Bills of this kind, the purpose of the present Bill is to correct printing and other errors in Acts to ensure that the patent intention of Parliament is given effect.

The Bill has already been considered by the Legal and Constitutional Committee, which recommended a large number of changes and these were made in another place. I should like to thank the committee for the valuable work on this Bill.

The Bill now does not, as a result of the recommendations of the Legal and Constitutional Committee, deal with matters of policy or substance. I commend the Bill to the House.

Mr MACLELLAN (Berwick)—The Opposition supports the Bill and proposes that it be proceeded with forthwith rather than the debate being adjourned. It has been dealt with in another place as a result of a committee recommendation. It proposes technical changes to the legislation relating to printing and other errors in numbering rather than policy matters. I suggest that the Attorney-General look at the last line of the second-reading speech, where he said, "deal with matters of policy or substance". Although the Bill does not seek to set out to do anything in the way of policy or substantial matters, it is, nevertheless, an important correction to legislation which was inadvertently passed with errors in printing.

I note in the report of the Legal and Constitutional Committee a reference to the work of Mr Philip Mithen, and its Acting Secretary, Mrs Tanya Costello and the committee's expression of gratitude to those two officers. It is not easy or particularly pleasant work to check through the many Bills. However, the report brings to light a number of matters, one of which is that one correction has had to be rejected for the second time, which was apparently an oversight by the Parliamentary Counsel, and

expressions of regret have been made on that.

The Bill, as first presented, was prone to error in a number of ways and a series of recommendations were made, which have been implemented in this measure.

The Opposition supports the Bill. It believes the former Statute Law Revision Committee adopted the right approach in recommending an annual Bill to Parliament with errors corrected to enable those who work with statutes and prints of Bills to have the correct information. It will assist not only the legal profession but also those who have to represent people in legal matters. Members of the committee, which is now no longer the Statute Law Revision Committee but the Legal and Constitutional Committee, thanked the officers concerned, and I suggest that the two staff members who have serviced the committee in this exercise deserve the commendation of the House.

The Committee has certainly made a succinct report and I suggest to you, Mr Speaker, and perhaps to your officers who advise you, that it might be possible that, where legislation of this sort is passed by Parliament, it might be appropriate to incorporate the report of the committee as a *Hansard* item either here or in another place.

I point out that it is about seven pages long and it would not be a challenging task to have the report incorporated in *Hansard*. That would make much more sense to the people who have to correct their statutes in a legal office or in commercial offices where a full set of statutes is held. Rather than having to get a separate copy of the report of the committee to understand some of the reasoning behind the changes and the non-proceeding with other changes that were in the first draft of the Bill, the two combined make a useful study for those who seek to have accuracy in the laws of the State. I ask that that be considered on a future occasion.

Mr WHITING (Mildura)—I support the remarks of the Deputy Leader of the Opposition that the report of the Legal and Constitutional Committee should be incorporated in *Hansard* along with the debate on the Bill. This would be of benefit to those trying to follow the Bill. It is an extremely detailed measure and, unless one were fully *au fait* with it, it would be difficult to follow. I hope the Standing Orders Committee will consider the proposal by the Deputy Leader of the Opposition regarding the incorporation of a report in *Hansard* when a Bill of this nature is being discussed.

I also support the remarks about the secretary and assistant secretary of the committee at that time. The Acting Sergeant at Arms of this Parliament was the secretary when the inquiry first started, and Mrs Tanya Costello took over when he was not available for that purpose. It is tedious work, for which one needs a special gift. The committee is extremely grateful to have two highly experienced officers of the calibre of the two concerned with this report. It certainly made the job of the committee so much easier. I support the Bill and I trust there can be an improvement in the method of presenting a Bill of this kind to the Parliament and in the *Hansard* report that is available for people who were not privileged to be on the Legal and Constitutional Committee or be close to the drafting of the Bill.

The motion was agreed to.

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

ALPINE RESORTS BILL

Mr CATHIE (Minister for Economic Development)—I move:

That this Bill now be read a second time.

Its purpose is to give effect to the Government's policy to establish co-ordinated control and management of all alpine resorts in Victoria. In implementing this policy, the Government is pursuing two related objectives. First, the proper development and use of Victoria's most important natural tourist attraction. Secondly, making the experience of alpine areas and environments and the pursuit of alpine sports and recreation available to all Victorians regardless of their income.

As honourable members will know, this Bill has been in the course of preparation for twelve months. The bulk of the work required to develop the Bill was undertaken by the previous Minister for Economic Development, who, as all honourable

members know, is the Leader of the Government in another place. I would like to take this opportunity to pay tribute to him for the vision and energy he displayed in pursuing the principles contained in the Bill, a Bill which the Government believes will bring lasting benefits to all Victorians.

In late February this year, a draft of the Bill was released for public comment and more than 100 submissions were received by the Government. All of these submissions have been carefully examined and a great many changes have been made to the Bill. The majority of the changes were matters of detail, but in saying that I do not wish to give the impression that the details are not important or that submissions concerning matters of detail are not valuable.

As honourable members who compare the present Bill with the public discussion draft will be able to see for themselves where these changes of detail have been made, I do not propose to discuss them. However, I believe I should briefly draw the attention of the House to those matters of principle in the Bill to which changes have been made.

Firstly, several provisions have been inserted in the Bill to emphasize and strengthen the role the Government expects the proposed commission to play in the protection of environmental and ecological features in alpine resorts.

Secondly, the fact that the Government intends the Alpine Resorts Commission to play a leading role in providing for the safety of visitors to alpine resorts is highlighted.

Thirdly, a provision has been inserted requiring all members of the commission, the council and management committees to be appointed under the Bill, to declare their private interests and for those declarations to be kept in a register open to public inspection.

I wish to extend the Government's thanks to all those persons and organizations who took the time and trouble to make submissions on the Bill. There is no doubt that their efforts and the fact that the Bill has been improved by them demonstrates the value of the widest possible public participation in the preparation of legislation of this kind.

At the beginning of my speech I said that the Government was pursuing two related objectives with this Bill. These objectives were the proper development of alpine resorts and making the experience of alpine resorts available to all Victorians. In order to understand how these objectives can only be met through a policy of providing co-ordinated control and management, it is necessary briefly to consider the history of the management and development of alpine areas generally and alpine resorts in particular.

Since the middle of the last century when they were opened up by cattlemen and gold miners, the alpine areas of Victoria have proved a magnet for tourists and recreationists of all kinds—skiers, ski tourers, bushwalkers, mountain climbers and people who just want to enjoy the beauty and scenery of these areas.

This was recognized by a previous Government which declared portions of the alpine area to be national parks. The present Government has directed the Land Conservation Council to carry out a special investigation of the alpine areas and to make recommendations on those areas that might be added to the alpine parks system, bearing in mind the Government's conservation policy for the alpine region.

However, it is a fact that areas of the alpine region have already been developed into ski resorts. This has happened in mountainous areas throughout the world and is recognized as a legitimate use of such areas so long as proper regard is paid to environmental considerations.

Victoria has the largest area of skiable snow in Australia and the ski industry is worth approximately $150 million to the economy of the state annually. It provides on-mountain employment for approximately 1500 people during the snow season and a livelihood for thousands more in off-mountain and city-based service industries.

In 1979 the capital value of buildings in ski resorts was estimated to be $96 million. Their replacement value would be many times this amount. In 1981, a magnificent snow season, there were more than 750 000 visitors to Victoria's snowfields.

The first planned and co-ordinated development of skiing and ski tourism in Victoria arose from the efforts of the Bright Alpine Club. This club, which was founded in the 1880s, centred its activities on Mount Buffalo Chalet in 1910. It was not until the

mid-1920s that the pioneers who formed the Ski Club of Victoria first opened up Mt Buller and Mount Hotham. In the mid-1930s the Victorian Railways accelerated and promoted development of both Mount Hotham and Mount Buffalo with its travel and accommodation packages.

Following the disastrous bush fires of 1939 and during the second world war, activity in the alpine areas declined until officers of the State Electricity Commission engaged on the Kiewa scheme capitalized on earlier planning work and provided the nucleus for the development of Falls Creek. Since the mid-1930s there had been slow growth at Baw Baw culminating in its declaration as an alpine reserve in 1959.

Hiking and bushwalking became a major pastime in the late 1920s and early 1930s while mountain climbing was popularized by university students in the early post-war years. Ski touring or nordic skiing which had been popular in the early days, regained its popularity in the 1970s probably due to its adherents wishing to get away from the crowded slopes.

The early 1950s saw the steady growth of mainly private club lodges in resorts but by the mid-1950s they were opened up to private development. This resulted in spectacular growth up to the late 1970s. During this period, skiing developed from the pastime of a privileged few to a sport that could be enjoyed by a larger sector of the population.

Although they are all on public land, the unco-ordinated growth of resorts in this period has been due to the variety of land management authorities controlling them and their differing philosophies and land management policies. Mount Buller and Mount Baw Baw are under the control of the Forests Commission. As a result of its hydro-electric development there, Falls Creek is the responsibility of the State Electricity Commission, while Mount Hotham is controlled by a committee of management with its own Act of Parliament but basically responsible to the Lands Department. The main day visitor areas—Lake Mountain and Mounts Donna Buang and Torbreck—are all the responsibility of the Forests Commission.

A desire on the part of a previous Government to check this unco-ordinated development led to the establishment of the Alpine Resorts Development Advisory Committee—ARDAC—in 1961. Although ARDAC was established in the high hopes of co-ordinating the development of resorts, the Government of the day failed to give it any real teeth by enacting supporting legislation. Nonetheless, comprised as it is of representatives of management departments and authorities, such regulatory and service bodies as the Health Commission and Country Roads Board, as well as lift operators and skiers' representatives, it has proved a valuable forum over the years. However, due to its very nature it has been restricted to the provision of advice and the recommendation of tourist funding for infrastructure works. In addition, the funds provided to it have been inadequate with the result that infrastructure and other services in resorts are now close to breaking point due to the strains imposed upon them by the growth of recent years.

In 1980 the former Government established a working party, which curiously did not include any representation from the tourism or recreation departments, to review the ski industry and prepare a plan for its future development. The working party very clearly identified the value of the ski industry as a major segment of the total tourist industry in Victoria, its great prospects for growth and its importance in the economy of the State.

The working party made a number of valuable observations and recommendations. It estimated that Victoria's existing resorts alone had a potential for 50 per cent growth in their capacity to service visitors and made a number of substantial recommendations regarding the future growth of the industry, the funding needed, the development of new resorts at Mount Stirling and in the north-east and the all year use of resorts for a variety of recreation.

A major recommendation was for the establishment by legislation of a ski resorts council, responsible to the Minister for Tourism, to co-ordinate planning, development standards and the financing of resorts, which would remain basically under the same multi-agency control as at present. As a consequence of this recommendation, the former Government established an Interim Ski Resorts Council pending further consideration.

Since its election, the Government has carried out a very thorough and searching

review of the working party's recommendations and, although it regards them as a very valuable contribution, considers they did not go far enough.

What has not been sufficiently addressed previously is that from the very nature of departmental budgeting, it is impossible for Government authorities with quite different main objectives from the development and planning of ski resorts to assemble sufficient capital to ensure balanced and adequate development. The constraints upon the States as to capital raising imposed upon them by the financial agreement of 1927 and the subsequent domination of Loan Council by the Commonwealth Government has meant that, under present management arrangements, ski areas development has had to be a lesser priority to the departments and authorities concerned than other capital expenditure more central to their purpose. In addition, it has not been possible in many cases to earmark income earned in the ski areas for the servicing of capital expended there, or to devote it to the improvement of services.

The result has been that by international standards the services and general infrastructure of our ski areas must be accounted poor, and it is essential that a management structure, which will avoid these difficulties, be provided in areas with room for further development.

The ski industry is a major segment of the tourist industry. It is a significant contributor to the economy of the State with the potential for major development to the end of the century. The Government is, therefore, firmly convinced that the current fragmented approach to the management and development of existing and future alpine resorts must cease. In its place a single body, backed by strong legislative powers, with a single purpose and philosophy must be created to control, manage and develop alpine resorts in the State.

The Government is of the view that all of the existing expertise, personnel, plant and equipment spread throughout a variety of authorities should be grouped together in this body which will have total responsibility for the alpine resorts in the future, in order to optimize their value to the economy.

The Government's confidence in the future of the alpine resources of the State is shared by private investors. Nowhere else in Victoria is the private sector showing the same keenness to invest. Already there are plans for major accommodation houses and other tourist facilities to provide for an additional 1600 beds at Mount Hotham. A 2000-bed alpine village has been approved at Dinner Plain and a $60 million redevelopment, to include a major hotel and provide an additional 1500 beds, is planned for the centre of Mount Buller and plans have been submitted for a multi-million dollar development at Falls Creek. In all, an estimated $250 million worth of development is planned for the alpine areas over the next few years.

Although the Government welcomes this development, it is also concerned to ensure that people of all economic circumstances are able to have access to the alpine areas and that accommodation and other services are used on a year round basis. Further, while it recognizes that downhill skiing is the principal attraction of the snowfields, Nordic skiing is increasing in popularity and the Government wants to ensure that adequate provision is made for the full range of recreational pursuits, including simple sightseeing and snowplay.

The proposals are therefore to replace the existing fragmented control of ski areas with a single development, management and planning body. There is one significant exception from this rule.

Mount Buffalo National Park is unique. While providing a significant and important ski facility in winter, it is a national park with high visitor usage the year round. There is no room in it for further significant preparation of new ski slopes. No further accommodation will be permitted on the mountain for visitors except by improvement to the Tatra Inn and the Mount Buffalo Chalet. In these circumstances, Mount Buffalo is not included in the ski resorts to be transferred to the new authority, which could, however, provide services and expertise for the improvement and better operation of the ski lifts at Mount Buffalo. I turn now to consider the provisions of the Bill.

THE ALPINE RESORTS COMMISSION

Part II of the Bill establishes an Alpine Resorts Commission as a body corporate. Clause 5 provides that the commission shall

consist of up to five members appointed by the Governor in Council for periods of up to five years. The members of the commission will have knowledge of or experience in alpine areas and environments, land management, resort development, business and alpine sports and recreation. Provision is also made in that clause for the appointment of acting members.

Sub-clauses (6) to (20) of clause 6 deal with the pecuniary interest of members. These provisions are more far reaching and complex than is usually the case for members of commissions. However, as the commission is to be the responsible planning authority for alpine resorts, the Government believes that pecuniary interest provisions applying to such authorities should apply to members of the commission. The provisions have been modelled upon those contained in the Dandenong Ranges and Upper Yarra Valley Authority Act.

In addition, as I mentioned earlier, all members of the commission, together with members of the Alpine Resorts Advisory Council and members of management committees, will be required by clause 41 to disclose their private interests.

The objects of the commission are set out in clause 8. As well as undertaking the control and management of resorts, the commission is required to plan for their proper development, use and promotion. When doing this the commission will be bound to have regard to environmental, ecological and safety considerations. Moreover the use of resorts in all seasons of the year will have to be encouraged. Sub-clause (3) places on the commission the obligation to carry out its objects so as to give effect to State Government environmental policies.

This sub-clause reflects the Government's firm conviction that alpine resorts will be viable and worthwhile in the long term only if the commission plans their development with proper regard for the protection of the environmental features that make them such attractive places. Any lasting damage to the environment or ecology of resorts will lessen their value as recreational venues.

The commission will also have the responsibility to ensure that services and facilities are supplied to enable all persons, irrespective of their income, to use and enjoy alpine resorts. The Government considers the imposition of this responsibility fundamental to the Bill. Although, as I said earlier, resorts are now more widely used than was once the case, it unfortunately remains true that it is beyond the financial means of most people, particularly families, to use and enjoy alpine resorts. The Government is determined that through the activities of the commission, alpine areas become accessible to all who wish to enjoy them.

The staff of the commission are to be led by a chief executive officer to be appointed by the Governor in Council for a term of up to five years. The remainder of the staff are to be appointed pursuant to the provisions of the Public Service Act. The provisions of the Bill relating to staff, which are contained in clauses 12 and 13 are modelled on those of the Victorian Tourism Commission Act enacted last year.

However, in creating the commission, the Government is not intending that another large bureaucracy be created as a land management agency. Most of the works, undertakings and services provided in alpine resorts will continue to be provided by the same agencies which provide them at present. To this end sub-clauses (9) and (10) of clause 24 and sub-clauses (3) to (7) of clause 27 empower the commission and the Minister to enter into agreements for the provision of works, undertakings and services in alpine resorts by other public authorities including municipalities. Similarly, clause 14 enables the commission to make use of the services of any employee or officer of any public statutory authority of Government department with the consent of the relevant Minister.

ALPINE RESORTS ADVISORY COUNCIL

Part III of the Act establishes the Alpine Resorts Advisory Council. The council, which is to advise the Minister in relation to all aspects of alpine resorts and their management, shall consist of up to twelve members to be appointed by the Minister. Their qualifications are to be similar to those of members of the commission. However, the council, as distinct from the commission, will represent groups interested in alpine resorts.

DECLARATION OF ALPINE RESORTS

The commission will, of course, be able to exercise its powers only in relation to

alpine areas that have been declared to be alpine resorts under the Bill.

Initially, resorts will be declared under the provisions of clause 19. This clause empowers the Governor in Council to declare by order, Crown lands, other than lands in national parks, at places listed in the schedule to be alpine resorts. The schedule lists all of the places which are currently developed in some form for snow-based recreation or which it is believed will be so developed in the foreseeable future, with the exception of Mount Buffalo National Park.

The Crown land in all declared resorts will be permanently reserved for the purposes of the Bill and, pursuant to clause 19 (4), cannot be excised from a resort other than by Act of Parliament. This sub-clause once again highlights the Government's determination to protect the land in alpine resorts for future generations.

Under clause 19 (3), Crown land, other than land in a national park, may be added to an alpine resort and new resorts may be declared by the Governor in Council to give effect to a proposal made by the commission to the Minister under clause 9 (*a*) and adopted by the Minister under clause 20 (10).

Before the Minister adopts a proposal to add to or to create an alpine resort, the proposal must be subjected to a process of public review and comment. The process is modelled upon that which is employed in relation to proposed planning schemes or amendments to planning schemes under the Town and Country Planning Act.

Under the process, all interested persons and bodies will have at least three months in which to make written submissions. These submissions will be referred to an independent panel of three members to be appointed by the Minister. Only one member shall be a member of the commission. The panel may hear oral submissions in addition to considering the written submissions referred to it. After considering the written submissions it receives, the panel will report to the Minister and may recommend that modifications or alterations be made to the proposal put forward by the commission.

This process is designed to ensure that all future dedication of Crown lands as alpine resorts will take place only after public debate. The process will not apply to the places listed in the schedule as those places are either already developed as alpine resorts or have already been identified as suitable for the development of future resorts.

CONTROL OF DEVELOPMENT IN ALPINE RESORTS

The Minister will be able, under clause 21, to prepare a statement of objectives for all or some of the resorts. When approved by the Governor in Council, such statements of objectives will have the same force and effect as approved statements of planning policy have under the Town and Country Planning Act.

As I mentioned earlier, the commission will, under clause 22, become a responsible planning authority for the alpine resorts. This is achieved by granting to the commission all the powers of a responsible authority under the Town and Country Planning Act.

The commission will, therefore, have the power to prepare interim alpine resort management plans and alpine resort management plans which will have the same force and effect as interim development orders and planning schemes. In addition, the powers of the Minister for Planning under the Town and Country Planning Act will be exercisable by the Minister administering the Bill in relation to land in alpine resorts.

As a result of these provisions, future development and use of all land, including Crown land, will be planned and controlled through the tried and proven procedures incorporated in the planning legislation. A further consequence is that, in future, disputes concerning applications for development permits in alpine resorts will be resolved in the public forum of the Planning Appeals Board.

In addition to these planning powers, the commission will be able to exercise control over the establishment of commercial undertakings in alpine resorts. Clause 25 provides machinery whereby persons seeking to establish new business in alpine resorts must first obtain the authority of the commission. Provision is made for appeals to the Minister in cases where a person is aggrieved by the refusal of the commission to issue an authority.

The Government believes this power is needed to provide for the orderly provision of commercially supplied services in resorts. While it is probable that an alpine resort management plan would designate certain areas as appropriate for, say, retailing, such a management plan would be too general to allow proper control to be exercised over the number of ski hire outlets that may be permitted from time to time.

The final technique through which the commission will be able to control development in resorts is by its power to grant leases of Crown land in resorts pursuant to clause 28. This clause provides that Crown land in resorts may only be leased or dealt with under the Bill.

Leases may be granted for periods of up to 50 years for ski lodges and for up to 99 years in the case of commercial developments. In addition, leases may be granted to public authorities for terms of up to 50 years to provide sites for work places. Subclause (2) empowers the Governor in Council to prescribe values of proposed improvements and terms of years above which leases will be granted by the Governor in Council rather than the commission. The reason for this is that the Government believes that private sector operators intending to inject very large sums may regard a lease granted by the Governor in Council as affording a more secure tenure than a lease granted by a commission.

Through the powers discussed above, the commission will have substantial control of development within resorts. However, the Government is conscious that planning decisions outside resorts may have a great impact on planning within resorts. In order to provide a means to co-ordinate planning within and without resorts, the Governor in Council is empowered by clause 31 (2) to declare alpine resort peripheral zones. Once such a zone has been declared, the commission may require planning authorities having responsibilities within the zone to notify it of the receipt of specified classes of applications for planning permits.

Similarly, a responsible authority operating in a declared peripheral zone may require the commission to notify it of applications for planning permits in the adjacent resort. Once a responsible authority or the commission has given notice that it has received an application, its obligations will be at an end.

The Government believes that the commission and other responsible authorities working together in a co-operative spirit will be able to plan for an optimum mix of off-mountain and on-mountain development in alpine areas.

TAKING OVER MANAGEMENT OF RESORTS BY THE COMMISSION

In bringing forward a Bill to provide for unified control and management of alpine resorts, the Government is aware that the transitional provisions of the Bill are extremely important. The resorts currently in operation have for many years been managed by dedicated groups of people. Many of them have given freely of their time and expertise for little or no remuneration. I wish to take this opportunity to pay tribute to the many men and women who have served and are serving on committees of management of resorts. The bringing in of this Bill gives effect to the realization that in many cases their efforts could not be fully effective because of divided controls and the splintering of financial and other resources available to alpine resort areas.

The Bill once it is proclaimed will not immediately affect the existing committees of management. These will continue on undisturbed until such time as the resorts they manage are declared to be alpine resorts under clause 19. Even then the present administrative and other arrangements relating to those resorts which are declared will not be immediately modified. Until the arrival of a day to be appointed by the Governor in Council pursuant to clause 24 (2), which could be a different day in respect of each resort, all present laws will continue in operation and the present committees of management will continue to function.

However, when the appointed day arrives the committees will go out of office and the commission will take over the direct management and control of the resorts.

Pending the arrival of the appointed day, the commission will have the power to remove members of continuing committees and to fill vacancies on continuing committees. In addition, pursuant to clause 38, the commission will be able to appoint suitable persons to inspect the books of account and

other records of a continuing committee. The Government believes these transitional provisions will enable the commission to take control of existing resorts in an orderly way and with a minimum of disruption to the smooth running of resorts. Once the appointed day arrives in respect of a resort, the commission will, as I have said, become solely responsible for the control and management of that resort. The commission may either exercise that control directly or appoint a management committee pursuant to clause 26. Such management committees will, as is presently the case, consist of representatives of the relevant Government departments and authorities and of local interests. The difference will be that the committees appointed under the Bill will exercise only such powers and functions as are assigned to them by the commission. Thus the committees will deal with purely local matters of administration within the context of an over-all philosophy and policy guidelines developed by the commission in respect of all resorts.

The commission's control within resorts is buttressed by the provisions of clause 27 (1) which provides that, except in emergencies, no person or body shall carry out works or undertakings or supply services in a resort without the concurrence of the commission.

One of the principal ways in which the commission will exercise day-to-day control over resorts, is to appoint authorized officers to enforce the provisions of the Bill and any regulations made under it.

This will be done under clause 39 which has been modelled on analogous provisions in the National Parks Act. The regulations to be enforced by the authorized officers will be made by the Governor in Council on the recommendation of the commission as provided in clause 42. Motor traffic in resorts will also be controlled by the commission. The amendments to the Road Traffic Act needed to give this control to the commission are contained in clause 45.

FINANCIAL ARRANGEMENTS

Under clause 33, the commission is required to establish an Alpine Resorts Fund. All revenue of the commission, all moneys provided by Parliament for the purposes of the Bill and all moneys borrowed by the commission shall be paid into that fund. Out of the fund will be paid the costs of administering the Bill, the costs of works undertaken by the commission in resorts and advances and grants to public authorities in connection with works carried out by those bodies in resorts.

Clause 34 confers on the commission the power to borrow money against a Government guarantee. Such borrowings can only be made with the consent of the Minister given after consultation with the Treasurer. In addition, the Treasurer may make advances to the commission from the Public Account in order to provide temporary financial accommodation. Finally, the commission will be able to borrow by way of overdraft from banks up to a limit to be fixed from time to time by the Treasurer. The Treasurer may also give a Government guarantee in respect of these borrowings.

The financial affairs of the commission will be subject to audit by the Auditor-General. An audited financial statement will form part of the annual report the commission is required to make to the Minister each financial year pursuant to clause 10. The annual report will be tabled in both houses of Parliament by the Minister.

Although the financial arrangements in relation to the commission are important, the Government believes the provisions of clause 37 are perhaps more important. In essence, the clause empowers the Treasurer, with the consent of the Governor in Council, to give a Government guarantee in respect of borrowings by the private sector for the purpose of carrying out developments in declared alpine resorts. This power reflects the Government's determination to do everything possible to assist the private sector to develop the full tourist potential of the resorts. It is by such means also that the Government will be able to encourage the private sector to develop facilities in resorts for lower income groups.

CONCLUSION

The Government believes the Bill represents the culmination of efforts extending over many years to establish co-ordinated control over alpine resort areas. Through the work of the commission the proper and planned development of the great tourist resource they represent can proceed. At the same time the commission will be charged with the responsibility of protecting the environment and ecology of the resorts in

their care for the benefit of future generations. Development of the resort areas in a planned way will result in the provision of a range of facilities in resorts that will make experience of alpine areas and snow-based activities available to all Victorians, regardless of their income. I commend the Bill to the House.

In commending the Bill to the House, I wish to add two brief points: Firstly, as is indicated in my declaration of interests, I am the part-owner of a family-type ski lodge at Mount Baw Baw. Secondly, I am disappointed that the Opposition will not be proceeding with this Bill during the present sessional period.

On 1 March, I wrote to the spokesmen of both the National and Opposition parties, enclosing a copy of the draft Bill. My purpose in doing so was to involve them, as I had involved the whole community, in public comment and discussion on the Bill. Having said that, the Government believes the Bill could have proceeded to resolution in this sessional period.

On the motion of Mr TEMPLETON (Mentone), the debate was adjourned.

It was ordered that the debate be adjourned until Tuesday, August 9.

DRUG TRAFFICKING

Report of Royal Commission

Mr CAIN (Premier) presented, by command of His Excellency the Governor, the report of the Royal Commission of Inquiry into Drug Trafficking.

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

MINISTERIAL STATEMENT

Royal Commission Report into Drug Trafficking

Mr CAIN (Premier)—I wish to make a Ministerial statement on the report of the Royal Commission of Inquiry into Drug Trafficking.

In February 1983, the Royal Commission of Inquiry into Drug Trafficking, constituted by His Honour Mr Justice Stewart, delivered its report to the Governments of the Commonwealth and the States of New South Wales, Victoria and Queensland. In March, Mr Justice Stewart delivered his report to the New Zealand Government, which had also given him a commission under New Zealand law.

It is worth recalling the circumstances that led to the establishment of the Royal Commission. On 29 August 1980, the Melbourne Coroner, Mr K. G. Mason, S.M., completed a coronial inquisition into the deaths of Douglas Robert Wilson and Isabel Martha Wilson. The coroner said the evidence tendered at the inquests positively indicated that the Wilsons had been lured to Melbourne and they were murdered in Victoria about April–May 1979. He referred to "an abundance of evidence" to support the contention that Terrence John Clark, apparently also known by other names, had arranged the murders. Evidence had also been given at the inquests about an enormous drug trafficking organization of which Clark was the head.

The Wilsons had before their deaths been interviewed by the police in both Queensland and New South Wales. As a result, a Joint Police Task Group was established to investigate allegations made by the Wilsons about criminal groups operating in Australia in large scale illegal drug trafficking. This appeared to have involved the corruption of a number of law enforcement agencies.

The Coroner forwarded the evidence of the inquests to the Victorian Attorney-General and requested that he consider transmitting it to the Attorneys-General of the Commonwealth, New South Wales and Queensland to have the evidence investigated further.

Subsequently, there were discussions between the three States and the Commonwealth. On 30 June 1981, the Right Honourable J. D. Anthony, M.P., the then Acting Prime Minister, and the Premiers of Victoria, New South Wales and Queensland made a joint statement that a judicial inquiry had been established to inquire into the possible drug trafficking and related activities of Clark and other persons associated with him. The Commonwealth and the three States each constituted their own Royal Commissions of Inquiry into Drug Trafficking in virtually identical terms.

The commissioner appointed was the Honourable Mr Justice D. G. Stewart of the New South Wales Supreme Court—by the Commonwealth on 25 June 1981, by Victoria on 30 June 1981, by New South Wales

on 24 June 1981 and by Queensland on 25 June 1981. The commissioner produced eight reports altogether. Interim Report No. 2 titled "Passports" was tabled in this Parliament on 22 June 1982. It has not been possible to table other earlier reports because of their confidential nature.

The final report presented to the Victorian Government on 28 February 1983 contains a number of findings relevant to the terms of reference which cause grave concern to the four Governments because of the extent of criminality they reveal. They include:

Importation and trafficking of illicit drugs on a massive scale

Laundering of money both in Australia and overseas

Murder and violence associated with these activities.

The commissioner has made specific findings about Clark and his associates and the illegal importation into Australia of large quantities of heroin and some cannabis and the illegal distribution of these drugs within Australia. There are further findings about the transmission illegally of much of the money from drug activities to overseas countries and allegations about a number of murders.

The report contains a large number of recommendations for future action—most of these recommendations are for changes in the law or administrative practices, others are for prosecution action. There have been preliminary consultations between the interested Governments on the subject-matter of the report. The Victorian Government has given particular consideration to the recommendations where they have implications for Victoria.

The commissioner has divided his recommendations in the report into seven headings:

Law enforcement agencies

Criminal intelligence systems

Police powers and complaints against police

Deportation and extradition

Financial investigations

Prosecutions

Amendments to Royal Commission legislation.

I shall take each of these in turn;

1. LAW ENFORCEMENT AGENCIES:

Mr Justice Stewart has taken up the theme in the 1979 Report of the Australian Royal Commission of Inquiry into Drugs conducted by Mr Justice Williams, who had referred to the fragmented approach by agencies in Australia with direct or indirect roles in the repression of drug trafficking. The particular recommendations of Mr Justice Stewart about co-operation between police forces and law enforcement agencies, the use of joint task forces and the establishment of a National Criminal Records Bureau are matters of interest which are being considered.

2. CRIMINAL INTELLIGENCE SYSTEMS:

Mr Justice Stewart here makes recommendations about the need for police forces to exchange information.This is important once criminal activities cross State boundaries. The Australian Police Ministers' Council agreed early in 1981 to establish an Australian Bureau of Criminal Intelligence to collect, collate, analyse and disseminate criminal intelligence relating to organized crime, particularly illicit drug trafficking. Victoria has already established a standing liaison with the Australian Federal Police and the customs service and Mr Justice Williams gives credit for the successful conduct of joint operations involving Victoria against drug traffickers.

A number of particular recommendations about practices and procedures affecting State police forces, the Australian Federal Police and the Australian Bureau of Criminal Intelligence need more detailed consideration and the Victorian Minister for Police and Emergency Services will be co-ordinating that action.

3. POLICE POWERS AND COMPLAINTS AGAINST POLICE:

Mr Justice Stewart urges the enactment of legislation requiring police to seek an order from a magistrate to question suspects with certain mandatory procedures to be followed. In addition, he suggests a limited power of street questioning or searching subject to certain controls. These recommendations raise a number of fundamental issues which are being considered by the Government.

Other recommendations include the giving of power to the State Ombudsman to conduct investigations into complaints against police, the procedure for investigating complaints of police corruption, the institution of rigid controls where drugs, money or other property are seized or acquired by police, and recruitment and training of police officers. Most of these recommendations are matters for consideration initially by the Minister for Police and Emergency Services and he has been asked to undertake an examination of the commissioner's recommendations.

4. DEPORTATION AND EXTRADITION:

The recommendations under this head are primarily directed to areas of Commonwealth administration. However, there are recommendations about proceeding with the trial of a person for serious criminal charges who is either already in prison in another country or where the accused is a fugitive who cannot be found or extradited. In addition, there is a recommendation calling upon State justice authorities to notify the Department of Immigration and Ethnic Affairs promptly when a foreign national is convicted of a criminal offence in Australia. The Government is not attracted by this particular recommendation but will refer it to the Standing Committee of Attorneys-General for consideration at a national level.

5. FINANCIAL INVESTIGATIONS:

Some recommendations are directed at corporate affairs offices in the States and at the National Companies and Securities Commission. The Victorian Commissioner for Corporate Affairs and the Chairman of the National Companies and Securities Commission have been asked for their comments on these recommendations.

The commissioner has requested that banks in Australia be asked to consider the practicality of keeping certain bank records and also maintaining registers of documents leaving the bank's possession because of service of a summons, subpoena or warrant. He requests also that stock exchanges be invited to review their regulations with the object of preventing members becoming involved in transactions designed to launder money.

Subject to agreement between all Governments, these requests can be conveyed to the banks and the stock exchanges. These matters will be referred to the appropriate Minister in other States.

A particular recommendation—No. 68—calls for uniform Commonwealth and States' legislation along the lines recommended by Mr Justice Williams in an earlier Royal Commission. This recommendation relates to attachment of profits from drug trafficking, forfeiture of property, including real property, at time of conviction and confiscation of items essential to drug trafficking—that is the drugs and the money. In fact, Victoria has already responded to the recommendations of Mr Justice Williams. The former Government introduced legislation in 1981—the Drugs Poisons and Controlled Substances Act 1981—which was passed at the end of 1981 and which addressed the problem of drugs of dependence and narcotic plants, established penalties, including forfeiture of property, and made provision for funds for rehabilitation of drug-dependent persons and for research. The Act has not been proclaimed because of this Government's concern, expressed in opposition, that the legislation did not adequately carry out the thrust of Mr Justice Williams's report, particularly in relation to drug users. Since its election, the Government has been thoroughly reviewing the Act and it is expected that far-reaching amendments will be introduced soon.

6. PROSECUTIONS:

The first of the recommendations under this head relates to the appointment of a Commonwealth Director of Public Prosecutions and the establishment of a combined States–Commonwealth Directorate of Public Prosecutions. Parliament will be aware that one of the initiatives already undertaken by my Government has been to enable the appointment of a Director of Public Prosecutions. The director has power to institute and conduct criminal proceedings on behalf of the Crown in the High Court, the Supreme Court and the County Court and, when considered desirable, in respect of proceedings for summary or indictable offences in Magistrates Courts. The Director, Mr J. H. Phillips, QC, was appointed in February and will formally assume his functions tomorrow, 1 June.

Mr Justice Stewart has clearly taken note of the Victorian initiative in making his recommendation about a Commonwealth Director of Public Prosecutions. The commissioner also suggests the establishing of guidelines in relation to the granting of immunities or indemnities to witnesses but this is not an area which I believe readily lends itself to such a step as each case for the granting of an indemnity must be considered on its merits. Nevertheless, it is recognized that there may be special circumstances in dealing with large scale organized crime.

Victoria is also the first State to appoint a Director of Public Prosecutions. There will need to be a good deal of further development by the Commonwealth and other States before any real consideration can be given to the longer-term recommendation about a joint directorate.

The commissioner also proposes amendments to the bail Acts of the States in order to allow a court to give consideration to determining the suitability and identity of a person who acts as surety. Parliament will recall that there were significant amendments to the range of bail provisions in Victoria in 1977 when the Bail Act was passed. The commissioner's proposal in the report in relation to the Victorian Bail Act will be considered.

A recommendation to legislate to reduce the maximum penalty for an offence by one-half if an offender gives accurate or worthwhile information to law enforcement agencies needs careful consideration. It is a matter which I will raise at a future meeting of the Standing Committee of Attorneys-General.

Finally, under this heading, Mr Justice Stewart makes recommendations about the Australian Police Ministers Council, the security of drugs seized and their eventual destruction and matters affecting police operations. These are matters which the Minister for Police and Emergency Services is considering.

AMENDMENTS TO ROYAL COMMISSION LEGISLATION:

The provisions covering the powers of Royal Commissions and boards of inquiry in Victoria are contained in the Evidence Act 1958. It is clear that the kinds of difficulties faced by a Royal Commission, which is required to report upon criminal allegations or activities, is a far different situation from other kinds of inquiries. The present provisions in the Evidence Act could not have envisaged the dimensions of organized crime as it exists today. One can understand the frustrations felt by commissions constrained by an inability to exercise powers of compulsion.

This is the paradox; Royal Commissions are not courts of law and the ordinary rules of evidence do not apply to them. Any person about whom a finding is made, which can lead to criminal prosecutions, is entitled to be protected from self-incrimination and can only be found guilty by the processes of the law. Even the present powers of a Royal Commissioner in Victoria can present problems for a citizen. The addition of powers of greater compulsion, even if absolutely confined to particular classes of Royal Commission investigations, could be regarded as undesirable. It may even be said by others that the public interest is better served in inquiries such as this one, which has been able to expose an extensive criminal network of drug trafficking, murder, violence and corruption, when a Royal Commission can have the power to effectively adduce sufficient evidence for a trial.

This leads me to the commissioner's lengthy discussion about a National Crimes Commission in part six of his report.

NATIONAL CRIMES COMMISSION:

A national crimes commission of the kind which has been under discussion throughout Australia in the past eighteen months to two years, would in reality be a Standing Royal Commission engaged in investigating organized crime. Honourable members will know that a National Crimes Commission Act was introduced in the Commonwealth Parliament in October 1982 and received Royal assent on 24 December 1982.

The Victorian Government did not support the approach to the Crimes Commission enshrined in legislation introduced by the former Federal Government. The Victorian Government does recognize that some proper means of investigating and reporting upon organized crime in Australia needs to be done on a continuing basis. This Government has supported, and continues to support, the Royal Commission on the activities of the Federated Ship

Painters and Dockers Union—the Costigan Royal Commission. By its commission from the Governor of Victoria and its term of reference, that Royal Commission submits its reports to the Victorian Government.

My Government is prepared to participate in a Standing Commission to investigate organized crime in Australia. It will do so once appropriate understandings have been reached with the Commonwealth and other interested States about the degree of control and supervision which can be exercised over the activities of such a body by the elected Government of this State. A significant part of that consideration must relate to the rights of individuals. The recommendations of Mr Justice Stewart, calling for power to compel people to answer questions and to produce documents, even if that tends to incriminate them, will have to be given careful study.

There is ample evidence that large-scale, organized crime is flourishing in Australia. Mr Douglas Meagher, QC, counsel assisting the Costigan Royal Commission, has recently presented papers at the 53rd ANZAAS Congress in Perth about organized crime; Mr Xavier Connor, QC, identified some aspects in his report on the question of casinos in Victoria which was tabled in this Parliament only a few days ago; the Costigan Royal Commission has identified major criminal organizations operating in Australia which covered taxation fraud as well as drugs; and Mr Justice Williams has also reported on drug activities. Now this report of Mr Justice Stewart becomes further public documentation of the magnitude of the problem in Australia.

There also seems little doubt that the nature of Australia's Federal system of Government has enabled organized crime to develop faster than might otherwise have been the case. A co-ordinated national approach is needed, and Victoria will play its part.

TABLING THE REPORT:

The report of Mr Justice Stewart is being tabled today in the Commonwealth Parliament also. I am advised that the Commonwealth Government has decided to proceed in the following way:

Relevant Commonwealth departments are studying the report and will be making recommendations as to action;

the Government will decide and announce its response generally to the report and in particular the recommendations in the report during the Budget sittings; and

with the agreement of the States of New South Wales and Victoria, there will be a committee of Commonwealth, New South Wales and Victorian officials to co-ordinate investigations and prosecutions in respect of the report.

In considering what portions of the report should be released for general publication, the four Governments have been very concerned that the report in many places names individuals as being associated with Clark or as committing or possibly committing offences against the law, some of a very serious nature. This concern has been communicated to Mr Justice Stewart. In reply he indicated that, having reconsidered the question of publication, it remained his view that it would be proper and preferable for the report to be tabled as delivered except for certain portions marked "Confidential" and subject to the deletion of references to a person who is the subject of current criminal charges.

The Government has accepted Mr Justice Stewart's view. However, in so doing the Government wishes to make it clear that, as indicated in the report itself, the naming of a person in the report does not mean that he is guilty of any offence or necessarily involved in any criminal activity. Guilt can only be established in criminal courts on evidence which is admissable and which establishes guilt beyond a reasonable doubt.

The Government's decision to table the report was made after full consultation among the four Australian Governments concerned and represents the common view. It is to be hoped that effective joint action can now be taken following this report to clamp down on drug trafficking in Australia.

By leave, I move:

That the Ministerial statement, together with the Report of the Royal Commission of Inquiry into Drug Trafficking, be taken into consideration tomorrow.

Mr FORDHAM (Minister of Education)—At the request of the other parties, it has been agreed not to proceed with debate on the report and the Ministerial statement immediately. Discussions will be held with a view to reaching accord on a suitable time

if the debate is to be resumed this session with one speaker from each of the other parties.

The motion was agreed to.

TRANSPORT BILL

The debate (adjourned from May 5) on the motion of Mr Crabb (Minister of Transport) for the second reading of this Bill was resumed.

Mr DELZOPPO (Narracan)—Honourable members will be aware of the huge amounts of money that have been paid on transport over the past few years, and of the fact that these amounts of money are increasing daily. The present subsidy to public transport is costing the people of Victoria something like $800 a minute. It is in this context that the Government presents to the House a Bill to reorganize transport in Victoria.

The Bill puts into operation many of the ideas that were put forward by the previous Minister of Transport—the present Deputy Leader of the Opposition—the honourable member for Berwick. Many of the improvements were due to his initiative and good work. The Government is in a position to claim some of the benefits of those initiatives.

I draw to the attention of the House an article that appeared in the *Australian* yesterday entitled, "Underground rail loop proves to be a winner" which states:

> Melbourne's underground rail loop, an idea scoffed at several years ago, is operating with striking ease and efficiency.
>
> It is still far from complete, but about 70 000 people use it each working day and its potential is yet to be fulfilled.

This was a Liberal Party initiative. The article continues:

> The second of the three underground stations, Parliament, was completed early this year and operations began on January 22. Flagstaff Station, near the intersection of Latrobe Street and William Street, is due to be completed early next year.
>
> The Melbourne Underground Rail Loop Authority, formed in 1970 to supervise the project, is pleased. The authority's general manager and director of engineering, Mr Frank Watson, believes the number of people using the system indicates its worth.

I repeat, it was a Liberal Party initiative. Continuing the article:

> "The loop is one of the reasons why there has been a significant increase in the reliability of train services around the city over the last 15 months," he said.
>
> "The congestion at Flinders Street Station has been eased, and the city's capability for handling trains has increased—and that is with an incomplete loop system."

The article goes on to state that when the full project is in place further improvements can be expected.

The honourable member for Coburg asks by interjection, "What does this have to do with the Bill?". What it has to do with the Bill is that although the Government can bask in the reflected glory of some of the initiatives of the Liberal Party, honourable members should remind themselves that some of the increases in the use of public transport have been due to the initiatives of the previous Government.

The Bill had a painful birth. The Bill was read a second time on 5 May 1983 and to herald the triumph, articles appeared in the newspapers referring to the transport shake-up by the Minister of Transport. One article included a photograph of the Minister and gave an outline of the Bill and referred in glowing terms to what the Bill will do. The article also referred to the authorities to be established by the Bill and its objectives.

Honourable members are aware that the Minister had a great deal of trouble in getting a fair copy of the Bill and despite assurances that the Bill would be introduced at 4 o'clock, half past four, then five o'clock, it was only due to the initiative of the Minister who was able to get twenty copies run off on his photocopying machine that the House received a copy of the Bill.

The copy of the Bill was not very clear and you, Mr Deputy Speaker, had to admonish the Minister for bringing into the House such a disgraceful Bill that could not be read. Notwithstanding the delay on Thursday evening, I and other members of my party were informed that a spare copy of the Bill would be printed late that evening. I waited until 7 o'clock that night but the Bill did not arrive. In fact the Bill did not arrive the next day—the Friday—nor the Saturday, Sunday, Monday or Tuesday, but was in my hands on Wednesday, so the Bill was effectively delayed by one week.

Surely it is wrong that a Bill of such magnitude should be given such little time to be considered by the Opposition and for the Opposition to be given so little time to circulate the Bill to the community.

When the question of time was debated in the House, the Opposition was given three weeks. As I have already stated, that time has been reduced to a fortnight. Because of the mismanagement and incompetence of the Government, the Minister of Transport as well as the Minister for Property and Services must bear the responsibility. The Opposition, therefore, demands that those two Ministers be publicly castigated.

The delay in making a fair copy of the Bill available did not go unnoticed by members of the community. I received several letters from municipalities, as did my colleagues, that were vitally interested in the Bill and they complained bitterly about the time given to consider a fair copy of it.

An example of such a letter is one addressed to the Honourable T. L. Austin from the Shire of Stawell. The letter states:

Dear Mr Austin,

The council at this month's meeting had before it a draft of a Transport Bill proposed to be introduced into Parliament for the purpose of abolishing a number of statutory bodies associated with transport in its various forms, and establishing a State Transport Authority, a Metropolitan Transit Authority, a Road Construction Authority and a Road Traffic Authority.

The draft Bill was first made available for comment on 7th April with submissions required by 27th April. This allowed very little time for the Municipal Association to circularize councils and obtain feedback to prepare a local government response. It is known that the Government's intention is to have the Bill passed during the present session with a view to it coming into operation from 1st July 1983.

It makes the action of the Government even more serious and reprehensible that the Bill is designed to be in place by 1 July so that the proposals are carried out.

The letter continues:

The council is most concerned at two aspects:—

(1) The haste with which the legislation is to be dealt with, and

(2) The lack of information in the draft Bill itself enabling the forming of a properly considered opinion as to what the likely effect on local government will be.

It is requested that the Opposition consider these aspects and keep them in mind when the Bill is being debated please.

The Bill is large—256 clauses, 12 schedules and 178 pages of print. For the benefit of the honourable member for Coburg, the Bill weighs 292 grams.

The Bill, and the debate pursuant to it, is further complicated by the number of amendments to be proposed by the Government. I have already counted 52 amendments, but I understand that further amendments are to be circulated by the Government this evening during the Committee stage. This adds a further complication, and when the seriousness of the Bill and its ramifications across the State is considered it is deplorable.

The Bill stems from the Government policies prior to the last State election and follows the Minister's statement to the House in September last year. The Bill envisages the establishment of a Victorian Transport Directorate, to be chaired by the Minister of Transport and to act as a corporate management group for transport in Victoria. It also envisages the expansion and reorganization of the Ministry of Transport, under the Director-General of Transport, to control strategic planning and policy development, resource budgeting and organizational development.

In the second-reading speech, the Minister used the word "reinvigorating". With the load the Minister is taking on, perhaps there should be a reinvigorated Minister, not a reinvigorated Ministry. The Bill further envisages the establishment of the Victoria Transport Borrowing Agency to maintain borrowings in accordance with Government policy. It also requires the formation of four new transport authorities:

The State Transport Authority, the Metropolitan Transit Authority, the Road Construction Authority and the Road Traffic Authority, all of which will be operating within the transport portfolio.

The Bill refers to former authorities, namely, those currently in place and operating now. They are the Victorian Railways Board, the Railway Construction and Property Board, the Melbourne and Metropolitan Tramways Board, the Melbourne Underground Rail Loop Authority, the Country Roads Board, the Road Safety and

Traffic Authority and the Transport Regulation Board. The Bill proposes that there will be a certain amalgamation and rearrangement of those authorities to form the four major transport authorities.

The Victorian Railways Board and the Railway Construction and Property Board will be fused to form the State Transport Authority. The Melbourne and Metropolitan Tramways Board and the Melbourne Underground Rail Loop Authority will form the Metropolitan Transit Authority and the Country Roads Board will be known as the Road Construction Authority.

The Road Safety and Traffic Authority and the Transport Regulation Board will be merged to form the Road Traffic Authority.

The Bill enacts, with amendments, the law relating to transport, including the Ministry of Transport, the responsibility for roads, railways, road traffic, tramways and transport regulation. A large number of clauses included in the Bill are taken from existing Acts and regulations. I draw attention to the fact that that is Liberal Party legislation. It cannot be all that bad if the Minister sees fit to incorporate a great majority of those clauses into the new Transport Bill.

The Bill repeals more than 100 existing Acts of Parliament, and they are set out in Schedule 11. Included in the Acts to be repealed are the Country Roads Act 1958, the Melbourne and Metropolitan Tramways Act 1958, the Ministry of Transport Act 1958, the Railways Act 1958, the Road Traffic Act 1958, the Transport Regulation Act 1958, the Melbourne Underground Rail Loop Act 1970 and the Railway Construction and Property Board Act 1979. A full list of the repealed Acts is set out in the schedule. The Bill also repeals the Transport (Road Funds) Act 1980, and I will speak further on that.

The Bill gives tremendous power to the Minister and the Ministry. It also empowers the authorities that it creates. Clauses 231 and 232 empower the Minister to transfer the assets and liabilities of the former authorities to the new authorities proposed in the Bill and to transfer these assets and liabilities between the authorities from time to time.

The Opposition has no quarrel with clauses 231 and 232. They are sensible and they allow the changeover to take place to form new authorities. However, the Opposition cannot accept the spirit of the proposed legislation as expressed in clause 81, which states:

> The Minister may from time to time after causing such investigations to be made as he thinks fit and after consultation with the Authorities concerned by Order under his hand published in the *Government Gazette* transfer such assets or liabilities as are specified in the Order from an Authority to another Authority.
>
> Any land or other assets transferred by Order under sub-section (1) shall without any further authority upon publication of the Order in the *Government Gazette* vest in the Authority to which it is transferred and the Registrar of Titles and any other person responsible for the maintenance of any register or other records shall do all such things as are necessary to perfect the transfer.
>
> Where any liabilities are transferred from an Authority to another Authority all such entries as are necessary to give effect to that transfer shall be made in the books of the relevant Authorities as the case requires.

Mr Gavin—What is wrong with that?

Mr DELZOPPO—My tormentor, the honourable member for Coburg, asks what is wrong with that. So far as the Opposition is concerned, clause 81 is totally unacceptable. The Minister is given far too much power and his actions are not supervised. There is no accountability to this Parliament. When the Minister was the Opposition spokesman on transport, out of the experience he gained on the Public Bodies Review Committee, he said time and time again in this House that there was not enough accountability. He said that Parliament was the supreme body in this State and that Parliament should have the say on the way things are run, the way the authorities are run and that the Parliament should be fully informed. Under clause 81, this will not be the case. The Opposition does not accept the sentiments so expressed in that clause.

Mr Gavin—Don't you read the *Government Gazette*?

Mr DELZOPPO—It is not a matter of reading the *Government Gazette*. By the time the notice is published in the *Government Gazette*, it is a *fait accompli*. Perhaps members of the Government party should appreciate that point and read the Bill a little more closely. On the point of accountability—and the Minister has a fetish for

that word—the Minister mentions "accountability" in the second-reading speech. He stated:

> The new authorities will report annually to Parliament on their performance in meeting their objectives and quantitative targets.

The Opposition has no quarrel with that. He also stated:

> This emphasis on accountability is further strengthened by strong budgetary control and greater financial independence.

If it is good enough for the Minister to draw the attention of the House to accountability, the Opposition says that, under clause 81 which empowers the Minister to transfer, at the stroke of a pen, the assets and liabilities of any authority to any other authority, it is good enough for him to have to account to Parliament for his actions.

Let me paint a scenario. Let us assume that one of the authorities that the Government is creating in this Bill runs into financial trouble, and that the Minister has had more and more pressure exerted on him to build a freeway—he is noted for his attitude on freeways, which changes from time to time—to link the Mulgrave and the South Eastern freeways. I know from my own information that at least 40 municipalities in the Gippsland area support that proposal and I know that the large majority of them have indicated to the Ministry their displeasure that he has declined to complete that freeway link. In that case, what is to stop a capricious Minister from saying to the municipalities in Gippsland, "All right, if you want a freeway built that will benefit the people you represent, I will take some of the funds that have been set aside for roadways in your divisions and transfer them to the freeway." Under the terms of clause 81, that could be done at the stroke of a pen, and with an order published in the *Government Gazette*, and by the time anybody knew anything about it, it would be accomplished.

I therefore notify the Minister and the House that I propose to move an amendment to clause 81 at the appropriate time. The Bill gives tremendous power to the Minister and to the authorities that are created by the Bill. Some of the powers are expressed in the Bill and others are under schedules to the Bill.

The Opposition is concerned by clause 1 (*f*) of Schedule 2, a shot-gun clause, which states:

> To enter into partnership or into any arrangements for sharing of profits, union of interest, co-operation, joint venture, reciprocal concession or otherwise, with any person or corporation carrying on or engaged in, or about to carry on or engage in, any business or transaction capable of being conducted so as directly or indirectly to benefit the Authority.

The Opposition believes this power, superimposed on the power under clause 81 of the Bill will be dangerous. The Opposition believes it is a threat to private enterprise, about which I shall speak later. It is a threat that will lead to the further erosion of job opportunities, a further depression of the private sector and the loss of employment. It could be described as nationalization by stealth because it will result in unfair competition for private enterprise.

I now draw attention to the powers and authorities which are provided under clause 38, which states:

> Each Authority and the Agency has power to do all things that are necessary or convenient to be done for or in connexion with, or as incidental to, the performance of its functions and the achievement of its objects.

Imagine the turmoil if the lawyers in this House were to debate words such as, "necessary", "convenient", "incidental to", and so on!

Mr Walsh—That all depends on which one you talk to.

Mr DELZOPPO—That is correct. It all depends upon which one you talk to. If you spoke to four lawyers, you would obtain four different opinions.

An Honourable Member—Five.

Mr DELZOPPO—The power expressed in clause 38 is a new concept in legislation. When members of the Opposition had a briefing from officers of the Minister's department—I publicly thank the Minister for making those persons available—several questions were directed to the officers about what could be done under the powers of the Bill. Could the Government purchase an airline under the powers of the Bill? Yes, it could. Could the Government purchase and run an oil refinery? Yes, it could. Could the Government buy a fleet of trucks and compete with private enterprise? Yes, it

could. Could the Government buy an oil tanker, for instance? Yes, it could. After a series of questions, it was put: Is there anything incidental to transport that is prevented from being done by the Bill? The answer was, "No, there is nothing that the Bill does not allow". I bring this to the attention of the House because of the power that is generated by the Bill and the power that is vested in the Minister and the authorities under the proposed legislation.

The Bill encourages competition, which the Opposition believes to be unfair, from several areas of the authorities. For instance, it suggests that the railways workshop should develop, that there should be expenditure on equipment for heavy engineering capacity and that this capacity should be used to compete for outside work. The Opposition suggests that this is unfair competition and that there could be subsidization, even though clause 14 (4) (*i*) says that there will be no cross subsidization, whatever that means. The workshop would have the ability and power and assistance of Government advertising. It would have the right to use the Government's purchasing ability. It would have and use the Government's sales tax advantage, and the taxpayers would pay for the capital expenditure.

Clause 4 (2) (*n*) states that one of the functions of the Ministry of Transport is to do anything incidental or conducive to the performance of its object and functions. This once again adds to the powers given to the Minister and the Ministry, which are large in the extreme, and is an unfair advantage. Although honourable members opposite remind me that the workshops may be doing just that now, clause 14 (4) (*i*) uses the words:

> to establish, manage and operate without cross-subsidization through the Workshop Management Board, efficient reliable and technologically up-to-date workshops with a heavy engineering capacity and compete for work outside the Authority;

This is unfair and, in the long run, will cost the citizens of this State dearly.

I turn now to the question of road funds. Honourable members opposite would be aware that under the former Government certain road funds were hypothecated towards special projects of the Country Roads Board and this caused some concern by local government. I believe the Minister has had negotiations with the Municipal Association of Victoria on this subject. In his second-reading speech the Minister said:

> Another area of concern raised by the Municipal Association of Victoria relates to the question of hypothecation of taxes. I would like to reaffirm that the level of funds directed to roads will not be less than would have been the case prior to the enactment of this legislation.

With the greatest of respect, these words are hollow, because some months ago when the Government abolished the trust funds, all the hypothecated funds went with it. These funds were generated from the motorists, from motor car registrations and the Business Franchise (Petroleum Products) Act 1979 and were used for the Special Projects Fund of the Country Roads Board. Can the Minister give the House an assurance on his word that there will be not less than would have been the case prior to the enactment of this Bill? Although I am willing to accept the Minister's assurance on this point, I should like to know what will happen in years to come. Because of the ability that the Minister has to transfer assets and liabilities from one authority to the other, there is no guarantee that road funds will be continued at their present level. The Minister has already evidenced in his statements to the community that he has a deep and lasting regard and interest in public transport and, notwithstanding the fact that only 16 per cent of the population uses public transport, the Bill and the actions of the Minister clearly indicate to me, to the Opposition and to the State that every effort will be made to pour funds into the public sector—public transport, mainly in and around the metropolitan area.

With that attitude from the Minister how can we be reassured that there will be continuing road funds for the rest of the State? Perhaps the Minister will respond to that later in the debate. Local government is concerned about the hypothecation of funds and I quote from a report of an engineer in Gippsland, Mr Gary Surman:

> The Country Roads Board fund has been abolished and there is no longer a hypothecation of funds collected from road users (e.g. motor registration, state fuel tax, etc.) being set aside for road funding. Further, the Minister has the power to transfer assets and liabilities between the various authorities. The level of road

funding must therefore rest with the whim of the Government of the day. A Government with a leaning to public transport and the urban areas could find it difficult to maintain funding levels for rural roads. What will happen to the Municipal Association of Victoria formula for distribution of road funds to the local government? Hypothecation of road funding must be retained and strengthened.

In relation to the agreement that was mentioned in the report, in February 1982 an agreement was reached between the Municipal Association and the Country Roads Board on a funding formula for roads in Victoria. In a circular letter sent out to municipalities on 16 February, the formula was spelt out. I add that local government had been pressing for a long time for an expression of what road funds there would be, where they would come from and how they would be distributed to municipalities.

The circular states:

The formula agreed to may be stated in general terms as follows:

1. Deduct the following from the total estimated funds available to Board from both Commonwealth and State sources—

(*a*) the amount of the Commonwealth National Roads Grant;

(*b*) a "Needs Provision" amounting to 2 per cent of the total estimated funds available to the Board in order to provide the Board with some flexibility to give recognition to changing needs throughout the State for both Board and municipal works;

(*c*) a "Commitment Provision" amounting to 20 per cent of the total estimated funds available to the Board in order to cover Statutory items, capital, planning and research, management and operating expenditure, forest roads, traffic line marking, Murray River Bridges . . .

And a host of other minor items. It continues:

2. Distribute the balance of the estimated total funds in 1. above as follows:

Having made those commitments to the total funds available to the Country Roads Board, the balance of the estimated total funds will be distributed as follows:

50 per cent for normal Board's works on State highways, freeways and tourists' roads.

50 per cent for normal municipal works on main and unclassified roads.

After considering the provisions of the Bill, municipalities do not have the vaguest idea of the amount of money they will receive nor do they have the assurance that certain funds will be available for various roadworks. The Minister should respond to that matter later in the debate.

In the original Bill that was circulated for comment, there was an interesting section under "Division 4—Appeals and Discipline". It provided the following under section 84:

84. (1) There shall be a Victorian Transport Service Appeals Tribunal.

(2) The Appeals Tribunal shall consist of—

(*a*) a Chairman appointed by the Governor in Council;

(*b*) a person nominated by the union to which the person occupying the office in respect of which the appeal has been lodged belongs or, where that person does not belong to a union, a person nominated by the union to which that person would, if he were a member of a union, belong; and

(*c*) an officer of the section in which the appellant is for the time being employed, nominated by the section head.

(3) The Appeals Tribunal shall inquire into and determine appeals on any matter which it is required to hear by the regulations.

That is followed by section 85, which is also to be deleted. It states:

85. (1) There shall be a Victorian Transport Service Disciplinary Appeals Tribunal.

(2) The Disciplinary Appeals Tribunal shall consist of—

The section continues to list the appointed officers and then under section 86, it states:

86. (1) An officer who—

(*a*) commits any act of misconduct;

(*b*) is negligent or careless in the discharge of his duties; or

(*c*) is inefficient or incompetent and such inefficiency or incompetency appears to arise from causes within his own control—

shall be guilty of an offence.

The section continues:

(2) An officer who is found guilty of an offence under sub-section (1) shall be liable to any one or more of the following penalties:

(*a*) Admonition;

(*b*) Reprimand;

(*c*) A fine;

(*d*) Reduction in classification or grade;

(*e*) Reduction in salary;

(*f*) Removal from office and appointment to another office; or

(*g*) Dismissal.

The point is that the Bill has been diluted. What happens now that Division 4 has been removed and section 85 now reads:

The Governor in Council may make regulations with respect to the following matters—

(*a*) the establishment and operation of a tribunal to hear appeals with respect to matters of promotion . . .

And so on and so on.

At the seminar conducted on 7 April the Minister exhibited his trial Bill, and many people attended from all sections of the community, including members of the various transport unions. It was significant that at the meeting the union representative said, "It is not on!" I draw the attention of all honourable members to the fact that not only is it "not on" it is not in. The question is: Who rolled the Minister?

On 14 September 1982 the Minister made a statement on transport to the House. At one stage, the honourable gentleman commented on the State Transport Authority and he did so when he was foreshadowing many of the points and authorities that are expressed in the Bill. The Minister said:

The S.T.A. will be responsible for all country passenger services and will operate all rail freight and ancillary services and at a later stage will be responsible for ports and harbours.

Either the Minister has a good memory, a good filing system or a good speech writer.

Mr Kennedy—Three goods!

Mr DELZOPPO—I take up the point, yes, there are three "goods". During his second-reading speech, the Minister commented again on the State Transport Authority and said:

The S.T.A. will be responsible for all country passenger services and will operate all rail freight and ancillary services.

The words that were omitted were "and at a later stage will be responsible for ports and harbours." I should have thought, with the introduction of a major Bill dealing with transport, which perhaps only occurs every 100 years, that the Minister would have included in the Bill a statement on what will happen to ports and harbours. Is the Minister reluctant to include such provisions because of the tension between himself and another Minister about who should have charge of ports and harbours?

There is both tension and intrigue between the two Ministers because now should be the opportune time for this to be dealt with. If the Minister brought in sweeping reforms in transport in Victoria and mentioned those reforms in a statement to the House in September, which contained a significant number of reforms that will be embodied in the Bill, why did the Minister not go to the trouble of including ports and harbours in the Bill?

Some time in the future the State Transport Authority will be responsible for ports and harbours. It cannot be both ways; either ports and harbours are included under the authority of the State Transport Authority in line with the statement made by the Minister or they are ignored. I should have thought the Minister would have responded on those points and informed the House of the intention of the Government for ports and harbours in Victoria.

Section 16 (3) (*c*) is a small section which states—

(*c*) to improve transit journey times by promoting and implementing schemes allocating traffic priority to on-street public transport services.

The Opposition notes the fact that the community at large has not accepted this point of view. Local government and the Royal Automobile Club of Victoria have not accepted that trams should have priority over other forms of road transport. If this plan is put into effect, utter chaos will reign. The Opposition is afraid that more road accidents will take place and small business and shopkeepers on some routes will be disadvantaged. This will lead to a resultant loss of jobs. The honourable member for Albert Park may scoff but honourable members on this side of the House have some feeling for small business and they don't want to see this situation arise. In a letter to me the RACV stated:

We consider the proposed amendments to the Road Traffic Regulations are inequitable in terms of the total road-based transport system, and could be interpreted, that by frustration, motorists will be coerced to use public transport.

In spite of past experience, this has not worked. In New South Wales where various inducements have been held out to the public, increased patronage of public transport has not taken place. Whether one likes it or not, society revolves around the motor car. The RACV further stated:

> We believe that as only the benefits to the tram system have been considered, and the disbenefits to cars and trucks have been ignored, an assessment should be made of the costs to provide "on road" priority measures for trams compared with the potential costs to both commercial and private road users in terms of delays, extra travel distance and road accidents.

I stress the importance of time delays, extra travel distance and road accidents. The letter continues:

> We are very concerned that inadequate consideration has been given to the effects of "on road" engineering measures which are being developed to complement the proposed tram priority regulations, and believe these should be implemented on a trial basis on selected routes.

The Opposition agrees with that. It is not opposed to the Minister implementing a scheme on a trial basis so long as there is consultation and assistance from local government. If this occurs, the people concerned can stand back and ascertain the effect of such a suggestion, which will mainly affect the metropolitan area. The honourable member for Coburg—my tormentor—and the honourable member for Albert Park ask from what document I am quoting. I am quoting from a letter I received from the RACV dated 25 May 1983. That should satisfy their insatiable curiosity. The letter continues:

> At the RoSTA Working Party on Monday 23 May 1983, it was indicated that, notwithstanding the objections raised by the RACV and the concerns of a number of Local Government bodies, it has been decided that the marking of roads for exclusive tram lanes will commence early in July, and the amendments to the Road Traffic Regulations will be introduced in September.
>
> It is sincerely hoped that before the proposed amendments are confirmed, that trial studies will be undertaken on specific routes, to evaluate the effect of such proposals, and that the greater utilisation of more sophisticated traffic signals facilitating the movement of trams will also be assessed. The latter, in our view, would provide an equitable solution for all the modes of transport involved.

The stance advanced by the RACV is not unreasonable. There are concerns within the community that sweeping changes along the lines of proposed section 16 (3) (*c*) will cause chaos. I suggest that a trial system should be taken on a selected route to evaluate the proposal. Perhaps this could be incorporated in the transport plan that the Minister promised would be placed before the House before the end of July. The Minister interjects to state that this will be laid before the House before the end of the year.

From conversations I have had with the Minister, I understand that many people are clamouring to be represented on the various authorities, boards, consultative committees and so on. I draw the attention of the Minister to the position of the Victorian Farmers and Graziers Association with respect to the State Transport Authority. The association recommends:

> That for the State Transport Authority a freight user category be defined in the Act to include "a primary producer having knowledge of and experience in the use of public transport freight facilities nominated by the Victorian Farmers and Graziers Association".

I ask the Minister to take that into consideration because it is not an unreasonable request given that 40 per cent of the freight funds generated in VicRail come from the transportation of grain. All honourable members are aware of the disastrous effects of the drought this year when wheat and other grain crops virtually failed. The budget of the railways was severely disrupted as a consequence. I point out that the grain growers are the No. 1 users of freight of the railways and I ask the Minister to consider appointing a representative of the grain section of the Victorian Farmers and Graziers Association or allow that association to nominate a person to represent grain growers on the State Transport Authority.

This large Bill is virtually beyond the comprehension of any one individual. For evidence of that, I mention that the Government has had a team of experts working on the Bill for a long time. Notwithstanding the expertise that the Government has had to bring to bear on the problem, there are still more than 100 amendments. This underlines the complexity of the Bill. The sensible approach would have been for the Government to have presented the Bill earlier and it should have been allowed to stand over from one session of Parliament to the next. This would have obviated the

concern of many people. Local government has expressed concern from time to time on the Bill. Local government is used to Bills being held over between sessions so that they can be examined in detail. That would have been an ideal procedure for the Transport Bill.

In his second-reading speech, the Minister gave an undertaking that in twelve months time he would hold a review so that the Bill could be examined to ascertain its ramifications. I hold the Minister to that undertaking and expect that in twelve months time honourable members will have an opportunity of debating the Bill to ascertain whether it needs further fine tuning because no one can predict what its total effect will be on the transport area.

On the whole, apart from section 81, the Opposition does not oppose the Bill. It hopes that, for the sake of all Victorians, the Bill will work and we will see a move towards increased patronage of public transport. The Opposition hopes that, in a practical sense, the operating losses of public transport will be curtailed.

The sitting was suspended at 6.30 *p.m. until* 8.6 *p.m.*

Mr McGRATH (Lowan)—The Bill is a major piece of proposed legislation to establish transport authorities to develop and improve transport facilities and amenities throughout Victoria. I extend my thanks to the Minister of Transport, the Honourable Steve Crabb, for his consideration while the legislation was being drafted. At that time the Minister arranged seminars during which honourable members could discuss the Bill and question the consultative committee that was responsible for drawing it up. Even as late as last week, my colleague from Gippsland South, our research officer and I went back to the committee, chaired by Mr Ian Reiher, and discussed with him various points of concern to us to make sure that we had full knowledge of what was being detailed in the Bill.

Although seminars and meetings have been conducted, the Bill is still a massive piece of legislation, and one would need to be very skilled to comprehend it in such a short time. I am afraid that, although I understand many aspects of the measure, because of its enormity I am not as fully conversant with all its clauses as I should be.

In the main, the National Party approves of the principle of setting up the four new authorities—the State Transport Authority, the Metropolitan Transit Authority, the Road Construction Authority and the Road Traffic Authority. Although the measure is a little different, it does not move far from National Party policy on public transport prior to the 1982 election. At that time National Party policy was that a transport commission should be established. Its objectives would be to ensure that a transport system is developed to meet the needs of all Victorians. It was proposed that the commission would undertake an annual review of Government revenue and expenditure in all areas of transport and co-ordinate expenditure in road, rail, sea and air transport. It was also National Party policy that the transport commission would co-ordinate transport needs on a regional basis to ensure that every region is provided with an adequate transport facility and that unnecessary duplication is avoided.

The policy was that the commission would include representatives of VicRail, the Melbourne and Metropolitan Tramways Board, the Country Roads Board, municipalities and other bodies involved in transport, and that it would be chaired by the Minister of Transport. That was National Party policy prior to the 1982 election, and it is probably not much different from what is being discussed tonight concerning the establishment of the four new authorities.

Bearing that in mind, even though the policies are similar, I sound a note of caution to the Minister on the setting up of these authorities and question whether we are setting up a bureaucracy that may become unmanageable. I hope this will not be the case. Mr Alan Reiher, who has been appointed Director-General, is a very skilled person, and certainly while he was Chairman of VicRail prior to his appointment to the new position, there was a marked improvement in the operations of the railways.

I refer honourable members to an article in the *Age* of 17 May 1983 which states:

> One of the greatest injections of private enterprise expertise into the Public Service continued yesterday

when 13 appointments were made to the authorities which will run Victoria's public transport from 1 July.

So far about 30 new executive positions have been thrown open to applicants from inside and outside the present transport authorities. Of about 20 which have been filled, nine have gone to men from private industry.

It is good to have new blood injected into the transport industry. The article states further:

The State Government has used salary packages modelled on private industry to attract new blood into its transport management. Salaries for the more senior positions range from $34 000 to $75 000, with most around $50 000.

The new positions will cost the Government nearly $2 million a year. Most are worth more than the previous Government paid its director of transport.

Certainly, the Government is outlaying a large amount of money for transport personnel and I hope it results in efficient use of public transport. In the *Age* this morning, a letter written by J. S. B. Rosair on the subject of the linking up of freeways criticized the Minister of Transport and said:

Both before accession to office and after, Mr Crabb deliberately created the impression that he would not link the freeways. This encouraged people whose homes had been threatened to commence repairs they had deferred, and afforded them immense relief.

Now when Mr Crabb, having been brought to heel by his bureaucrats, announces his decision to build the link, you hasten to commend him.

I make the point that in the setting up of these new authorities, the public should not be subjected to too much bureaucratic control because if so, the improvements that everyone desires from the public transport sector will not be achieved.

The Bill is wide ranging. It covers all aspects of transport: Car, train, tram, bus, motor cycles and push bikes. Today, people must come to terms with costs. In all aspects of primary and secondary industry, the major costs are transport, finance, energy and wages. Costs in transporting grain from country Victoria to seaports have increased significantly. The Government has a user-pays principle and I think the grain industry would accept that principle so long as it applies to everyone in the community.

Is there any difference between a worker who moves across the city to a place of employment transporting his commodity, labour, and a farmer transporting his commodity, the products he has produced, to a seaport? If that principle is to apply in transport, surely it should apply to everyone who uses transport facilities. Coming to terms with the cost of transport can be achieved by increasing the freight cost of the commodities carried by the railways or by increasing fares and the number of passengers carried on the public transport system to make the system economically efficient.

The second-reading notes state that another area of concern raised by the Municipal Association of Victoria concerns the hypothecation of taxes and the Minister reaffirmed that the level of funds directed to the roads would not be less than would have been the case prior to the enactment of the measure. The honourable member for Narracan spoke at great length on this point.

For a number of years, the funds that have been raised through motor registration, licences, fuel tax levies, and so on, have been appropriated to the Ministry of Transport, particularly the business franchise tax, and under previous legislation a trust fund was set up so that 75 per cent of those moneys was directed towards road development and road construction in Victoria.

Under the proposed measure, those moneys will now be paid into the Consolidated Fund. I understand that the Minister of Transport will then have to go to the Treasurer to beg for money like any other Minister in charge of various departments to ensure that he gets his share of the cake. That is wrong. The business franchise tax was struck specifically to provide additional road funds for road construction. Suddenly, those funds will vanish into the Consolidated Fund along with other revenue. It is a sleight of hand trick, as the honourable member for Benambra interjects. An assurance is required from the Minister of Transport that those road funds will not vanish altogether.

Under the existing arrangements, the Country Roads Board and local government have had a good relationship. I hope a good relationship will be established between the new Road Construction Authority and local government. Municipalities

are concerned that under the measure various amounts of money cannot be itemized for particular purposes. The Minister of Transport may go to the Treasurer and to Cabinet in good faith to obtain funds for the proposed road construction authority and yet Cabinet may decide on a railways deficit as against a Road Construction Authority surplus and may use this surplus for offsetting the railways deficit.

The Minister may have good intentions, but he may be rolled in Cabinet. The matter would then be out of the hands of the Minister and it could be that a future Minister of Transport may not have the level of knowledge of transport matters that the present Minister possesses. If these types of provisions are not enshrined in legislation, it will be easier for a future Minister to direct various matters in opposition to those directed by the present Minister.

Most country municipalities are using approximately 70 per cent of their funds for road works programmes. Municipalities are heavily reliant on the contributions and allocations they receive for road improvement work after consultation with the Country Roads Board. It would be a pity if there were any reductions in those allocations.

Under the provisions of the Bill, supplementary allocations could become the norm rather than the exception. That would not help municipalities plan their road works. The Minister should indicate whether municipalities will continue to receive funds from the proposed Road Construction Authority for road works and road improvement programmes. In the explanatory second-reading speech, the Minister stated:

> The outworkings of the new organizational and legislative structure will be kept under constant review and I undertake, within twelve months, to report to the House on this process and to introduce a further Bill containing such amendments as are deemed necessary.

It will be important for the Minister to undertake that action. There are many aspects of the Bill that I am neither fully conversant with nor do I understand fully. Many sections of the Bill will prove their worth through trial and error and the Bill will undoubtedly have to be returned for further review. Victoria needs a transport system of which it can be proud.

The Bill contains 111 new clauses; 70 old clauses that were reintroduced from previous legislation; 40 amended clauses from previous legislation; 54 re-worded clauses from previous legislation and three enacted clauses. Those figures demonstrate the size of the Bill. Although it is a large Bill, many of its clauses represent legislation that, in many cases, has stood the test of time. The second-reading speech concludes:

> It will enable the structuring of a modern, efficient transport portfolio to meet the needs of Victorians in the twenty-first century.

The Minister is looking a long way ahead. Last night a news report on the ABC indicated that the Box Hill railway underpass was now in operation after representations were first made 80 years ago to do away with the level crossing. The National Party hopes that the Bill will meet the changing needs of transport, which will not have to wait 80 years to be effected.

In his opening remarks, the honourable member for Narracan spoke about the new underground rail loop, which he claimed was an initiative of the former Government. However, to date no one has provided an actual costing of the construction of the underground rail loop. Suggestions have been made that it was $500 million.

Another transport initiative of the former Government was the West Gate Bridge, which cost $200 million to build. The annual tolls collected on that bridge amount to $6·6 million, but the cost of collecting those tolls and servicing them is $3·6 million a year and the interest payments on the loans needed to finance the construction of the bridge cost the Victorian taxpayer $23 million a year. Those figures indicate that the taxpayer is out of pocket by $20 million a year on the cost of providing the West Gate Bridge.

Those transport initiatives of the former Government will place a financial burden on both the transport system and the Victorian taxpayer. Country people would have preferred to have seen the provision of better railway rolling-stock and more locomotives to service the whole of Victoria and not just the needs of a few people in the city area. However, I do travel over the West

Gate Bridge and I find it a convenient way to travel into the city.

The Minister used some wonderful sounding terminology in his second-reading speech.

The objectives of the Ministry of Transport are to improve the efficiency and effectiveness of transport facilities in the network, to meet the community functions of the transport community, and to establish quantitative targets to be attained by the authorities in the exercise of their functions. I wonder whether the Minister could outline some of the quantitative targets he has in mind for the Ministry of Transport. Some of those targets may be for new equipment or rolling-stock or whatever, but there should be quantitative targets also for the personnel who work within the transport system so that they can justify their existence under this measure.

Although I understand the Minister has foreshadowed some amendments to the composition of the State Transport Authority, at present there is to be the Director-General of Transport and eight other members to be appointed by the Governor in Council, of whom there shall be:

(i) the Managing Director;

(ii) an officer of the Authority nominated by the Managing Director;

(iii) two persons elected by the officers of the Authority;

(iv) a person having knowledge of and experience in the use of country public transport passenger facilities;

(v) a person having knowledge of and experience in the use of public transport freight facilities;

(vi) a person having knowledge of and experience in the tourist industry; and

(vii) one other person.

I suggest to the Minister that the one other person could be a person nominated by the Victorian Farmers and Graziers Association. If the tourist industry can nominate a specific person on the State Transport Authority, so should the Victorian Farmers and Graziers Association. Tourism is important to Victoria, but it is not as important to the over-all work and viability of the State as agriculture.

I quote some figures from 1979–80. In the bulk grain area, 4·888 million tonnes of grain was lifted by VicRail which was 36 per cent of the total tonnage. The carriage of those commodities earned VicRail $50·5 million, or 37 per cent of its revenue. There was 628 000 tonnes of fertilizer moved by VicRail, or 5 per cent of its total freight tonnages, with a revenue of $4·4 million or 3 per cent of its revenue. There were 287 000 tonnes of bulk petroleum products carried by VicRail representing 2 per cent. While not all of these products would be used exclusively in agriculture, a large amount of them would have been. The revenue from these products was $3·7 million or 3 per cent of VicRail's over-all earnings. These figures suggest that there should be a representative of the Victorian Farmers and Graziers Association appointed to the State Transport Authority. I foreshadow that I will be moving amendments along those lines.

After the former Government deregulated various commodities that were carried by VicRail, I spoke to a freight manager in a country area in Victoria. At that time VicRail was losing business related to the carriage of some of these traditional lines, and this freight manager was finding that because there was a set scale of charges by VicRail, road contractors were undercutting VicRail's schedules and taking VicRail's business. The freight officer believed that if he had been in a position to negotiate prices for the transport of those various commodities he could have held the transport of those commodities with VicRail.

The new State Transport Authority should examine ways of negotiating freight prices on these commodities so as to retain the business for VicRail. It is business, and the tonnage carted by VicRail, that will lessen the deficit under which it has been operating for a number of years.

The over-all aspects of the Bill are good. All parties are prepared to support and give credit to the Minister for his endeavours to improve the transport systems in Victoria.

The National Party has received letters of concern, one from the Bus Proprietors Association. This letter was written early in May. I spoke today to Mr Keith Foote, one of the executives of the Bus Proprietors Association, and while this association expressed concern at that time, many of those concerns have been ironed out through consultation with the committee and the executive officers acting on behalf

of the Minister. It appears that this association is now much happier with the provisions of the Bill and with the amendments that are to be introduced by the Minister later this evening.

The Leader of the National Party also received a letter from a Mr Alan Parker of the Bicycle Institute of Victoria, dated 9 May 1983. It reads:

> The 1983 Transport Act presented to Parliament is a disaster for the 800 000 Victorian pedal cyclists, the majority of whom are children.

That is a large number of children. Bicycling is very popular nowadays, both as a means of transport and recreation. Further on in the letter it states:

> The wording in many parts of the Act ignores the needs of cyclists, pedestrians and motorcyclists, but the worst defect is that it fails to re-establish the State Bicycle Committee as the means of sensibly managing and directing bicycle planning and implementation in Victoria.
>
> When the new Transport Act becomes law the State Bicycle Committee like VicRail will cease to exist. No notice has been given in the *Government Gazette* for the re-establishment of this committee. Eliminating the only committee that cyclists are represented on and have a say about their safety needs is totally unacceptable to the cycling community.
>
> Minister Crabb had promised the Bicycle Institute that he would not eliminate or downgrade the committee. In his letter dated 10 March 1982, as Shadow Minister he stated:
>
> "On the basis of the knowledge available to me, there is no intention of changing the status or operation of the State Bicycle Committee".
>
> As Minister for Transport he reaffirmed his commitment of a year ago (May 4th, '82) in a letter to our President Mr Owen Parnaby:
>
> "You can be assured that the State Bicycle Committee will continue along with the level of commitment made by the previous administration" . . . "I would welcome the opportunity to meet with you when the pressure of the administrative change over declines".

I appeal to the Minister to give due consideration to the representations of the Bicycle Institute of Victoria as it represents about 800 000 Victorian pedal cyclists. The majority of them are children, who will be the adults of future generations.

Some aspects of this Bill will need to be fully considered by the Minister as he brings the authorities into operation on 1 July. I shall refer to road funding because it is important to country people, remembering that about eighteen months or two years ago the honourable member for Gippsland East moved a motion claiming that a greater portion of the available funds for road work in Victoria should be spent on country roads. The debate on that motion continued for about 5 hours and was one of the longest debates ever to take place in this House. At that time, the Minister of Transport, who was the then Opposition spokesman on transport, supported the motion that the allocation of available funds should be increased for country roads.

I direct the Minister's attention to the fact that funding for the maintenance and construction of Victoria's road network over the past ten years has declined by 22 per cent, while travel has increased by 66 per cent. From that point, one realizes that there is more need for funding of country roads. I indicated before that ten-year planning programmes should be used on road networks in Victoria. The submission prepared for the Municipal Association of Victoria by Nelson, English, Loxton and Andrews Pty Ltd also pointed out the need for maintenance of Victoria's funding levels. I shall quote from the submission prepared for the Municipal Association of Victoria by the consultancy firm. It states:

> The MAV have previously stated that both Government and Authorities must appreciate that for some time local government has considered the inadequacy of roads funds as a very real issue.
>
> The basis of this concern includes:
>
> The Country Roads Fund will be abolished with the repeal of the Country Roads Act;
>
> Section 58 provides for annual budgets to be submitted to the Treasurer for consideration and approval;
>
> Section 59 indicates funding for roads will involve payment from the Consolidated Funds or the Works and Services Account;
>
> Provision under Section 79 (1) of the Act for the Minister to transfer assets between authorities. Hence, roads assets could be liquidated and the sum used to improve other areas of the transport sector, e.g. purchase of new train carriages;
>
> Because there are no provisions in the Bill for registration fees and other taxation on motor vehicles usage to be hypothecated for road expenditure there is now no guarantee of a minimum level of road funding. It is therefore theoretically possible that the Government could spend no part of road and vehicle related taxation on roads.

The honourable member for Narracan spoke at some length on this aspect. I have

also spoken for some time on the need to maintain a proper level of funding. The National Party supports the Bill. It is a major measure and, after approval of the House, will be put into operation on 1 July. In the next twelve months when the Minister introduces amendments or suggestions to the legislation to improve the transport industries again, it will be interesting to note what has eventuated in the transport field.

Mr MACLELLAN (Berwick)—Before rising to speak, I paused to see whether any Government supporter wished to support the Bill. I suppose one should expect that with the fairly contemptuous attitude of the Government to the processes of Parliament, it is not surprising that none of them have spoken. I ask the Minister whether he has presented the right Bill. I do not ask the question in a facetious way, but due to the rather bungled and unusual processes by which the Bill was introduced, I wonder whether this is the penultimate draft of the Bill, whether it was introduced by mistake and whether there will be an avalanche of amendments in the Committee stage to convert the second last draft of the Bill into the final draft.

I ask that direct question of the Minister because, in my experience as Leader of the House in the former Government, I remember an occassion when a Minister gave a second-reading speech to the wrong Bill. However, he had the courage to acknowledge it and completed the second-reading speech so that the whole process was completed. I hope if that is so, the Minister of Transport will have the courage to say that a mistake was made, that the second last draft of the Bill was introduced and that it will be amended to bring it into a final draft form. I hope he has the honesty to say that to Parliament. If that is the case, I suggest the honourable and decent thing to do, rather than putting Parliament through the disreputable process of trying to deal with amendments under pressure of debating time, would be to remove the Bill and replace it with the final draft, rather than an avalanche of amendments.

A number of things ought to be said about procedures, and I refer firstly to the lack of consultation. I do not mean a lack of consultation before the Bill came to the House, but a lack of consultation since that time.

Mr Crabb—You did not turn up to consult with me.

Mr MACLELLAN—If the Minister spoke to his departmental adviser, he would realize that the remark that he has just made is untrue and unfair. I can only assume that I have touched a sensitive nerve. The Minister seems to be overreacting. In fact, I was about to say that I appreciated the briefing that was given to the Opposition by departmental officers. The honourable member for Melbourne, who is interjecting, would know less than nothing, and he apparently finds difficulty in telling the truth, because he knows that the briefings were given.

The Bill has some alarming features concerning Parliamentary responsibility and accountability for the future. It contains powers which are, in effect, unlimited. There is much to be said about the restructuring of authorities, but the restructured authorities will not be limited in any way other than by the limitations that the Minister may care to impose on them.

Clause 38 of the Bill provides:

> Each authority and the agency has power to do all things that are necessary or convenient to be done for or in connexion with, or as incidental to, the performance of its functions and the achievement of its objects.

Therefore, the new authorities, with the blessing of the Minister and with the availability of funds, will be able to do anything they want. As the honourable member for Narracan puts it, they could buy and operate an oil refinery if they so desired; they could buy and develop land; as transport authorities they could become unrecognizable in the twinkling of an eye; if they ever grew bored with doing what they currently do, they could do anything else, under those powers. Clause 38 is excessive.

The power of the Minister to transfer assets between the authorities, and his already practised policy of selling off assets and leasing them back—thereby allowing the authorities to spend their own money rather than having Parliamentary appropriations—means that the potential exists for a Minister, beyond Parliamentary control, to pledge all of the assets, lease them back and spend the money on whatever policy or objective he chooses; in fact, he could even go to what is incidental to or beyond that.

The honourable member for Lowan is less than keen on the Melbourne underground

rail loop, the cost of which he put at $500 million. I should think that is a fairly conservative estimate; by now it is probably about $550 million. That amount is less than the railways lose in two years; in other words, for the money that is lost in the operations of the railways in this State under this Minister, an underground loop could be built every two years. I say that to bring the matter into perspective. I say to the honourable member for Lowan, again to bring the matter into perspective, that railways lose and are given capital—in other words they spend more than their income—more than the State Government provides for roads. Railway expenditure paid for by the State Government through the appropriations of this Parliament exceeds the State's expenditure on roads.

These facts cause the Minister of Consumer Affairs to scratch his head and worry, as well he may. All the expenditure of his Ministry could be accommodated by one week of railway expenditure.

The Bill mentions workshops, and this is a new form of expression in legislation. There is a pious hope that there will be no cross subsidy and that the workshops will be able to engage in private contracting, especially in the heavy engineering field, but not unfairly in competition with private enterprise.

To the honourable member who asks about the matter, I point out that I am not saying that anything is wrong with those pious hopes, but something is impossibly wrong with the idea that it is possible to achieve that objective if private enterprise is unable to compete for the railway work. In other words, if State instrumentalities are to compete in the private sector, fair competition can be achieved only if the private sector is able to compete for the Governmental work. Obviously, if the railway workshops were fed all of the work they need to keep them busy and were then allowed to win contracts in the private sector—as I am sure the honourable member for Melbourne, as a fair person, would agree—that would not be fair competition with private enterprise, if private enterprise could not compete for the Government work.

In the future, this problem will have to be examined if the objective stated by the Minister in his second-reading speech—of achieving no cross-subsidy and no unfair competition—is to be achieved. I can accept that the objective is one to be sought and one that may take years to achieve. However, if that objective is seriously to be sought, it cannot be achieved while a secure and safe base load of work is provided without any competition for the Government workshops and those workshops are then allowed to compete in the private sector.

The Bill is backgrounded with millions of dollars spent in extra salaries for more highly paid and—as I am sure the Minister would assume honourable members all believe—more talented administrators. Changing the chairs of the senior executives of the transport services will not necessarily lead to better services for the users of those services. The Minister has an almost frantic belief that, if he can change all of the structures and the executive chairs, everything will work out. I warn the honourable gentleman that, from my reading of the Bill and from my discussions with departmental officers, I conclude that he has made a rod for his own back. The Minister will be so involved in the detail of the decision implementation that he will spend much of his time in signing pieces of paper.

Heaven knows, the burden was bad enough before but this Minister has, if anything, made it worse.

The Bill suggests that not only is the Minister going to be fulfilling his political functions but also he is going to be on the board of the transport directorate. The Minister will then have to approve of the many items that are the subject of Ministerial control under this measure. Once the Bill is passed and implemented there is no Parliamentary control.

What sort of character are honourable members asked to entrust with powers with which no other Minister has been entrusted? The State Electricity Commission is not empowered to do everything that is incidental to the generation of electricity. If it were, I presume that under a Labor Government the State Electricity Commission would own Alcoa of Australia Ltd and not merely provide it with electricity. The powers referred to go beyond any powers sought by or entrusted to any other Minister of the Crown.

What sort of Minister of Transport does Victoria have? It has a Minister who, for example, wrote to the Cranbourne Shire Council stating that if it did not purchase surplus Country Roads Board land he would take the money off its road grants so that the council would have to pay for the surplus land one way or another.

The pious hopes for free competition and substantially entrusting authorities to act within a limited range of powers rather than in abuse of the powers with which they are to be entrusted, fades with a Minister who is prepared to use stand-over tactics with one municipal council by informing that municipal council that it has millions of dollars of revenue and can afford to purchase the surplus Country Roads Board land that has become a reserve. In the past couple of months the Minister has informed the council to buy the land from the Country Roads Board or he will take the money off its road funds. The Minister interjects that I want more road funds. The Minister is being over-sensitive. Perhaps it is due to the lateness of the hour—nine o'clock is probably a late hour for him to be discussing the Bill, but that is his problem, and not mine.

When I was Minister of Transport I introduced a three-year rolling programme so that the Country Roads Board would be able to advise municipalities of their base funding allocations for three years so the municipalities could go ahead and plan on a continuing basis. That programme was welcomed by the municipal councils. The Minister says by interjection that is a good thing. I ask the Minister: What chance is there now of three-year rolling programmes when there are going to be annual appropriations by Parliament? An authority can no longer commit itself to future road funding if the Parliament has not passed the money for it to do so. How can there be annual funding of a road authority and a three-year rolling programme or a promise of funding to municipal councils?

What the Minister has done by wrapping up the trust fund and getting rid of the hypothecation of taxes is that he has given Treasury the whip hand and has become entirely at the mercy of Treasury in what moneys the Parliament will appropriate to the various transport authorities. The Minister is now in that position with this measure. That will be one of the problems the Minister will face as he goes into the administration of his new transport authority.

I know it is equally insensitive of me to mention the Minister's somersault policies or broken promises—one can take one's choice as to which description one prefers. I refer to the Minister's extraordinary performance on connecting the South Eastern and Mulgrave freeways. That performance has to be a record. If the Minister is in trouble he says something challenging like, "Don't you want a link?" The people of Victoria have signalled that they want a "yes"–"no" Government but in the case of the Minister of Transport they get both—the Minister says "yes" then "no" then "maybe".

The SPEAKER (the Hon. C. T. Edmunds)—Order! I presume this is a passing reference.

Mr MACLELLAN—I have never known anyone to be so sensitive about the word "freeway" as this Minister. It is now being referred to as an "arterial road". At least it is a connection. The Minister seems to have settled on a decision, but I presume it will be subject to review in the 1983 transport plan which is due to come out later this year, so the plan may yet be moved, enlarged or diminished. One cannot rely on the Minister for consistency of policy.

The Minister will have some opportunity to sell the railways, the tramways and I suppose the roadways if he wants to get keen about it, to Japanese bankers and to lease them back and use that money to build bigger and better workshops, or whatever it is he wants to do. The Minister has done that already to some degree and I presume that it is his intention to do that as much as possible. It makes as much sense as selling Australia's national parks to the banking system and leasing them back. I suppose the Treasurer does not think he will be in office long enough to have to pay the money back but someone will have to pay the money back eventually.

The Minister is showing his sensitivity. The Minister does not want to talk about whether they are Japanese bankers or the interest rate. Honourable members can explain a lot about why he wants such wide powers and unfettered discretion, such incredible scope for him to devise new and exciting programmes away from the basics

of transport. It would be no surprise to find that the Minister has the power to not only buy but also to establish and operate a trucking company.

I would like to make the prediction that the powers are included in the Act for the purpose of the Minister establishing a road trucking operation owned by the Government and set up with public money. If the Minister wants to deny that prediction I will be happy to hear him do so, but I do not think he will. The Minister has the glorious opportunity when debating a transport Bill to explain what has happened to the refurbished Harris train that has been sitting in the Jolimont yards for so long. That is the type of question the Minister liked to ask when he was in opposition but not the type of question that will delight him now that he is in government.

The Minister indicates, by interjection, that he now wants to know what is the question. He assumed he knew the answer, and he now wants to know the question. To make it easy for him to wipe the smirk off his face, I ask the Minister whether he will explain why the refurbished Harris train has been languishing in the Jolimont yards for so long and has not been put into service for the people of Victoria; why has not the Minister announced the receipt of the refurbished train, which now has automatic closing doors, air-conditioning and a silver body; why has not the train been shown to the public; and why has not the Minister given some description as to whether it is a Liberal lemon, which in four or five weeks time—however long he takes to make a decision—will become a splendid Labor train. I remember the trains of which the Minister is now proud and which I was proud to order. They were Liberal lemons when the Minister first came into office and they then became splendid new Labor trains.

I understand the Premier will not allow his driver to drive on a freeway in the metropolitian area. The driver can take any route but a freeway. The Premier uses public transport; he uses a car driven at taxpayers' expense, but the driver is instructed not to drive on a freeway. However, the Premier has snipped the ribbon on the Western Highway to open that freeway programme.

The Government has many hang-ups about explaining to Parliament and the people a few of the facts. The Minister finds time to talk, but does not have the time to listen. He has no time to listen when the subject is a refurbished Harris train and part of a large contract negotiated by the previous Government and explain why it has not been put into service to allow the people to use it. Apparently, the Minister has not had the opportunity to make a clear decision on whether he will link the South-Eastern and Mulgrave freeways with an arterial road or freeway and he does not have any explanations as to how he will maintain a three-year rolling programme for funds for municipalities when he will rely on annual appropriations from Parliament.

The principles of the Bill that are wrong are that the authorities and the Minister are given far too wide a discretion and too much trust has been asked for from Parliament and not enough accountability will be given. Many good things can come from the restructuring of transport, but they will not be sufficiently good enough to off-set the risk that the Minister takes to flog the assets of Victorians to foreign investors who will lease them back. The Minister will then use those funds for his own whimsical programmes—the trucking company, the private building workshop, the new development here, there and everywhere—as that is now empowered in the proposed legislation before the House.

I will be interested to hear the Minister's answer to my original question as to whether the Bill is the final draft or whether there was not a bungle and the ultimate drafts are different and that the Parliament is about to have an avalanche of amendments to convert the Bill to the final draft. In that case, the Committee time of the Parliament will be abused by a Minister who failed to bring in a Bill he properly intended to bring in and brought in the second last draft by mistake.

Mr B. J. EVANS (Gippsland East)—The Bill is enormous. It consists of 256 clauses and 129 pages. It contains a number of schedules, one of which is almost another Act of Parliament in its own right. Because of the size of the Bill and the field it covers—the whole aspect of transport in Victoria—it is difficult to debate. Not only can one be criticized for what one says, but, more importantly, one may be criticized for what one omits to say. To deal with all aspects encompassed in the Bill would take

an extremely long speech. I compliment my colleague, the honourable member for Lowan, for the research he made regarding the Bill because it is fair enough to say that honourable members have not had adequate time in which to study the proposed legislation and understand its full ramifications.

The National Party supports the proposed legislation because it encompasses principles that the party has adopted over the years. Members of the National Party emphasize the need for examining the problems of transport *in toto* rather than looking at the problems of the railways, roads, and tramways in separate compartments. There is no doubt that what is done in one field of transport has an effect on another. The Bill is soundly based because of that factor—it brings all branches of the transport system under one comprehensive piece of legislation and provides for more Ministerial control than has existed in the past.

Because such dramatic changes will be made, it is appropriate that a few moments should be spent dealing with the system as it was. One effect of the Bill that must cross the minds of many older members of the community is that it does away with an organization that has had an extremely important role in the affairs of people, particularly in rural areas. I refer to the Country Roads Board. The sign of the board and references to it have been in the minds of people in rural areas for 70 years, since the board was created. It is pertinent to recall why the board was established.

Prior to the board's establishment, district roads boards and, subsequently, shires were responsible for the construction of roads in rural areas. At the time, a need was seen for an authority to establish roads linking municipalities. Obviously, while road construction was a matter for local authorities, the authorities became concerned with the roads within their own jurisdiction and they did not necessarily pay much attention to the need for linking roads to the metropolitan area and neighbouring communities. It became obvious that a need existed for an authority to establish linked roads.

One of the most important duties with which the Country Roads Board was charged was the provision of developmental roads. In the early days of the board, developmental roads were an important part of its charter, because, in those days, the authorities understood that roads and transport were important to allow the various parts of the State to develop to their full potential. The attitude adopted in those days is a direct contradiction to that which is adopted today.

These days, the principle that seems to be pointed out in the Bill is that the Government expects that the development will sustain the transport system. In that sense, we have a chicken-and-the-egg situation. Which comes first—the transport system which will enable development, or development which is capable of sustaining the transport system? There is still scope for the Government, through its transport authorities, to realize that there is a need for the development of roads to assist with the growth of particular areas of the State. I should like to give an illustration relating to an area which is best known to me. The electorate of Gippsland East prides itself on its tourist potential and spends a substantial amount of money on promoting the attractions of the area to people from various parts of the State, as well as from interstate.

One of the areas in which that promotion is taking place, and which is a large potential market, is Canberra. However, if anybody from Canberra who expressed interest in travelling to east Gippsland to enjoy the scenery and facilities available in that area were to ask how he could get to east Gippsland, he would have to be told that he would have to travel either along the Bonang Highway or the Cann Valley Highway—they have both been declared highways for a number of years, but both are mostly gravel roads. The alternative route, which would appeal to most city people who like to keep to the bitumen surfaces, would be to drive along the Snowy Mountains Highway and along the Princes Highway, past all the tourist spots along the south coast of New South Wales. It is obvious that it becomes difficult to persuade people that they should pass the attractions that the other places have to offer in order to visit east Gippsland.

That is an illustration of where the Government would be fulfilling its proper role by instructing the Road Construction Authority to break away from the policy —which has been so much of a problem in the past for rural people—of determining the need

for the development and construction of roads by the amount of traffic that is using them.

This policy is self-defeating in the metropolitan area. As I have pointed out in this House before, the policy of the previous Government on constructing freeways—as I have explained many times during the number of years I have been travelling to and from east Gippsland to attend to my duties in this place—has been to build roads on that basis. I have seen the development of Dandenong Road into a six-lane highway, which directly led to the growth of the Noble Park, Springvale and Dandenong areas to the point where Dandenong Road was incapable of carrying the increased traffic. In order to meet the problem brought about by the increased traffic flow, work was started on the construction of the Mulgrave Freeway. The net result of that development has been that the Doveton, Nar Nar Goon and Berwick areas have been expanding rapidly to the point where, in the foreseeable future, the Mulgrave Freeway will not be wide enough to cope with the amount of traffic endeavouring to use it.

The point I am making is that the policy that road construction should be dictated by the demand on that road will not solve any problem. All it will do is to generate more development to further choke up the road that has already been constructed. I do not believe any city in the world has solved its road traffic problems by constructing more roads. It simply leads to even further development and road congestion. The whole process results in an unbalanced development in the State, because the effect of the population concentrating in the central area of the State leads to more and more inefficiencies, which, in turn, affect our roadway system.

The point is that the construction of freeways will not solve the traffic problems anyway because people concentrate in the metropolitan area. The amount of growth that should be taking place in outer areas of the State does not occur. If it did take place, it would help to maintain a profitable railway system because a transportation demand in many different parts of the State would assist in sustaining a viable and healthy transport system.

I hope that one of the effects of the Bill will be that, at some time, the Minister will understand the effect of the provisions of roads and railways on the total development of the State. The Government has to grasp the nettle and say that there are some circumstances where road construction should take place despite any proveable demand at this time that is established by traffic counts on existing roads. Obviously, the worse the road, the less likely are people to use it. Therefore, many areas in rural Victoria have difficulties in obtaining adequate finance to maintain roads at a satisfactory standard. I should like to express, on behalf of the electorate I represent and other people in rural areas, some regret that the Country Roads Board will go out of existence as a result of this Bill. That body provided a tremendous service to people in rural areas during the period of its existence, and it would be a pity if it just disappeared into the pages of history without some reference of appreciation being made to the people who served the community *per medium* of the Country Roads Board.

One of the reasons why the National Party agrees with the basic principles of much closer co-ordination between the various avenues of transport could be illustrated—and again, I make no apology for using the example of the electorate I represent—by the need for a relationship between expenditure on different forms of transport.

In recent years there have been discussions, particularly since the Lonie investigation into transport in this State, about whether, for example, the Bairnsdale–Orbost railway line should be closed because of declining traffic on that line. If one looks at the railway line in isolation, it appears that it is difficult to sustain an argument that the railway should be kept in operation because the revenue derived is dwindling. It is hoped that times will improve and with increased interest in building and more demands for timber products, the railway line will increase its profitability in the future. If that railway line were to be closed and all the traffic which is currently carried by that line were transferred to the highway, the highway would be far too inadequate to carry all that additional traffic. It makes sense that, rather than go to the tremendous expense of improving the highway to the point where it is capable of carrying all the additional traffic in safety, and taking into account that all the additional traffic on the

roads will disturb communities along the highway to the metropolitan area, it makes sense to keep that traffic off our roads. There is a valid argument to suggest that money that would otherwise be spent to improve the roads should be used to maintain the railway service. I hope this new Bill will make this concept more able to be put into effect.

Those are some comments with regard to the principles established in the Bill. As I indicated at the outset, the measure deals with all the minute details involved in the transport scene of this State. This Bill has another aspect which I find particularly interesting. Given the experience that the Minister had prior to being elevated to the rank of Minister of the Crown in this State as a member of the first Public Bodies Review Committee, he was very much involved in discussions which took place with regard to the need for public bodies to state their objects. The suggestion was made by the Public Bodies Review Committee that public bodies should state their objects so that there would be some measure by which their performance could be gauged over the years.

I am interested to note that the Minister has taken up my suggestion and it was a suggestion made in a minority report presented to this Parliament last week, that it is absurd to suggest that public bodies themselves——

The ACTING SPEAKER (Mr Kirkwood)—Order! The Minister of Public Works is speaking more loudly than the honourable member for Gippsland East. I ask him to desist.

Mr B. J. EVANS—The Minister has done what I suggested should be done in a minority report presented to this Parliament last week—that the objects of the public body should be stated in the legislation governing the body. Having established the objects which the Government desires any particular body to pursue, it structures the public body in a way to best achieve those objectives. I think the Minister has done precisely that. Perhaps I should congratulate the Minister on breaking away from the recommendations which he seemed to advocate so strongly when he was a member of the Public Bodies Review Committee. However I should point out that one of the substantial reasons why the Bill is so large is the amount of the measure that is taken up with setting out the objects and functions of the various bodies set up by the Bill. Whether this will serve any useful purpose I am doubtful, because in the past, in the course of debating and drafting legislation, the people responsible had on their minds the achievement of certain objects. I do not believe it matters very much whether the objects of the bodies are written down in a form as here or just implied as in all the legislation in the past.

As I indicated, although the Bill introduces new principles and consolidates the whole system of transportation in this State, it also deals with all the minute details which we are accustomed to dealing with in separate pieces of legislation. I appreciate that the second-reading stage is not the appropriate place to deal with these details and I think that during the Committee stage I will be commenting on a number of clauses and perhaps suggesting or adding further support to the proposal as outlined in the Bill.

I support the remarks made by my colleague, the honourable member for Lowan, that there is no doubt that a great many amendments will be needed to the Bill to get it into shape. I do not say that as any real criticism at this stage because the whole range of transport and the problems in the various areas are so complex that it would be virtually impossible to get the Bill right the first time. I sincerely hope that, in setting out to achieve the objectives of the Bill, the Minister will keep in mind—not necessarily as a first priority but as a priority—the needs of rural people and the effects on them and their way of life in the absence of proper transport facilities. I hope he will appreciate that although many hundreds of millions of dollars of public money go into maintaining public transport systems in the metropolitan area, many people in outlying areas of the State virtually have to meet the whole cost of transport into their nearest major centre. I hope that due consideration will be given to some means of trying to offset the many disadvantages brought about by isolation which is closely associated with the lack of public transport facilities in rural areas.

Mrs PATRICK (Brighton)—The Bill is extremely large and when the second-reading debate took place a short time ago, it was on the penultimate Bill that was unable

to be printed. I understand that the final Bill was lost somewhere or other and, therefore, some photocopies were made with leave of the House and the consent of the Opposition. You, Mr Acting Speaker, would know that the schedules to the Bill, which is not even the final Bill, were impossible to read; they were blurred and smudgy and there was no way one could possibly wade through them.

The Bill is long, complex and radical and makes some extreme changes to the transport system in Victoria. Bungling and inefficiency have made it impossible for the Opposition——

Mr Crabb—You had briefings.

Mrs PATRICK—The Opposition did have briefings. I give the Minister that. The briefings were extremely competent on the general principles of the Bill but the Opposition is also fortunate that its spokesman has done his homework thoroughly and tried, to the best of his ability, to find his way through the Bill in order to gather as much material as he could to represent the members of the Opposition. It is extremely difficult to debate the Bill because not only is it long and complex but also members of the Opposition understand that 100 amendments were condensed into 65 other amendments because a few were tacked together. If the final Bill had not fallen off the back of a truck, got lost between here and the Government Printing Office, been lost in the Government Printing Office, lost in the Minister's car or whatever happened to it, honourable members would not be faced with having to consider 65 amendments, they would have at least had a Bill at the beginning of the debate through which they would have been able to find their way. It is not good enough and is a contemptuous way in which to treat honourable members. The situation should not be repeated, particularly with a Bill of such importance.

The Bill makes some changes to which I shall address myself, but one of the most important is the separation of the metropolitan and country transport systems. A State Transport Authority is being set up to be responsible for country passenger services and to operate all rail freight and ancillary services as is the Metropolitan Transit Authority, which will provide transport services for passengers and freight in the metropolitan area. Metropolitan and country rail services are interdependent.

I question the wisdom of separating the two services because they are interwoven. Country rail freight is transported into the metropolitan area and crosses the metropolitan area so there seems to be no good reason advanced, so far as I can see, for the separation of the two authorities. Not only has the Minister bungled the introduction of the Bill in a technical sense in that he has failed to do all the things I pointed out in introducing a clean Bill, but he has also jumped the gun. In the *Age* of Tuesday, 17 May 1983, the headline is "Transport bodies get transfusion of talent". The Minister and the Government anticipated proposed legislation and appointed all those people. The article states:

> One of the greatest injections of private enterprise expertise into the Public Service continued yesterday when 13 appointments were made to the authorities which will run Victoria's public transport from 1 July.

Thirteen appointments were made, including those of two VicRail executives to more senior positions. I am not questioning whether those people are suitable; I am sure they are suitable for the job, but the Government does not even wait for enabling legislation. It goes ahead and makes the appointments.

The Bill has been introduced with some haste. I am sure the Government has been working on it for some time. The former Minister of Transport, the Honourable Robert Maclellan, had already done some preparatory work of which I am sure the Minister and the department have taken advantage. In a letter I received from the Shire of Stawell is reflected the concern of other municipalities about the haste with which the proposed legislation is to be dealt and the lack of information in the draft Bill.

If members of Parliament cannot follow the Bill, what hope have municipalities of even vaguely being able to follow it. However, the Municipal Association of Victoria, which is always on the alert to represent municipalities, conducted a seminar and had consultants to prepare a submission to the Minister. The consultants were Nelson, English, Loxton and Andrews Pty Ltd and extremely comprehensive representations were made to the Minister. The consultants stated that there was too much

haste and not enough consultation with local government when drafting the Bill. The submission states:

> It is the concern of the MAV that the powers and functions of local government be enhanced or at least not downgraded by the provisions of the Transport Bill.

On page 2 of the submission, it states that the association requires assurance beyond the matters identified by the document. I shall not read all the matters set out, but it states—

> that substitutions of nomenclature and/or procedures as they affect local government are made at political and administrative levels on a one for one basis;
>
> the method of constructing the Transport Bill has not led to inadvertent overlaps or extensions in responsibility which will affect the local government role;

It states further in the submission that the association believed that local government had an important role to play in the function and operation of the State Transport Authority and the Metropolitan Transit Authority and that local government should be represented on those bodies. Following that a letter was received which was directed to Mr Pausey stating that the Minister has agreed to select a councillor to service members of the authorities.

The Opposition welcomes that; however, the submission continues to state:

> Local Government should be consulted and have direct access to the MTA and STA on local transport matters, e.g.—
>
> route determination, alternatives and extensions;
>
> bus stop locations;
>
> transport interchanges;
>
> parking restrictions, etc.;
>
> public transport priority procedures.

It continues to spell out what they consider should be the arrangements after July 1983.

On the transport supplier role, the submission states:

> Due to the impact of MTA and STA vehicles on road pavements, the requests that, when bus and tram routes are being finalized, local government should be consulted.

It continues further on under the heading "Road Funding" to state:

> The MAV has previously stated that both Government and Authorities must appreciate that for some time local government has considered the inadequacy of roads funds as a very real issue.

The Municipal Association of Victoria appreciates the concern of the Government to balance the improvements of public and private transport but believes it should maintain road funding in real terms. Road funding is important to municipalities because they are responsible at the local level. If roads are not maintained, municipalities bear the complaints of ratepayers.

In restructuring the transport scene, the Government wants to watch out that it does not throw out the baby with the bath water and leave local government out on a limb with respect to funding, consultation and transport matters in each location.

The Institution of Engineers Australia (Victoria Division), Transportation Branch, also thoroughly examined the Bill. During the Committee stage I shall refer to a number of vital amendments which this organization proposes for the Bill. I am not suggesting that the Opposition will move those amendments; however, I will mention them.

The piecemeal road linking the South-Eastern and Mulgrave freeways has already been mentioned. The Institution of Engineers prepared a submission entitled "Tram Priority: How and When Will it Happen from a Municipal Engineer's View" under the name of Mr I. G. W. MacDonald of the City of Prahran. The long submission analyses and criticizes the tram priority programme of the Government and states:

> The system is diminished by the simple fact that insufficient road space between tram tracks and kerb is available to make over either finite or long sections of the tramway reservation to exclusive use and this situation often cannot be improved by the implementation of clearways for the same reason.

These matters must be kept in mind as the implementation of the Bill progresses.

The residents serviced by the Sandringham railway line were told that they would receive better trains. In the local newspaper, the honourable member for Sandringham said he made representations and that new trains would become available. I

believe him because he is part of the Government and has worked hard for this. However, the Sandringham line does not have any silver trains.

Honourable members interjecting.

Mrs PATRICK—The line did have a silver train on a Sunday. I am in a good position to know because the railway line almost runs through my back garden. I am able to watch the trains and we are still getting too many red rattlers. Why should the Sandringham railway line users put up with old, rattly, dirty trains?

When one mentions North Road, the saga of Brighton transport becomes more and more outrageous. The Country Roads Board stated that it would remake North Road. The crown of the road needs to be removed because it is dangerous. Over a number of years, the council had difficulty deciding what to do with North Road. However, work on North Road has not proceeded. Will the revamping of the transport system mean that North Road will be speedily remade? We are happy about the highway which has helped traffic through Brighton. A problem exists there because 2·5 acres of parkland at Dendy Park were taken over by the board.

Mr Spyker—Under your Government.

Mrs PATRICK—The Country Roads Board took possession of the land while the Labor Government was in office. The council has not been paid a penny. The board does not want to pay a reinstatement fee to the council despite that principle having been established. The board is offering in the vicinity of $1 per square foot for land in Brighton. This Government will not pay the municipality what it should be paid for land which has been taken over for a public highway. The Government says that it will do the right thing by everybody. Why should the ratepayers be out of pocket because of a national highway?

The letter written by the Shire of Cranbourne has already been mentioned. The Government cannot feel proud about the issue of the council being asked to pay a price based on the value of land assessed in 1979 to be paid over a three-year period.

The Government should carefully scrutinize its activities. The introduction of a Transport Bill with hundreds of clauses will not magically produce a solution to the transport problems in Victoria. The Government should get its transport house in order and the Opposition will watch with interest the implementation of the Bill.

Mr BROWN (Westernport)—I congratulate the honourable member for Narracan for showing the House how competent he will be—having only been the shadow Minister of Transport for a short time—when, in under two years, he becomes the Minister of Transport. There is no question of that when one considers the result of the Federal by-election on Saturday. I am sure all honourable members on the Government side—particularly the "one termers"—are shaking in their shoes!

I was pleased to see some talent coming from private enterprise into public transport, and any effort that the Minister of Transport can make to drive the taxpayer's dollar further is to be encouraged. However, some of these executives have been appointed at a very high cost to the community, with salaries ranging around $60 000 a year. That amount is nothing to the Minister of Public Works who is interjecting, but it is a lot of money to the taxpayers. The first task those executives will be expected to perform, I have no doubt, will be to examine the huge blow-out in the deficit, especially in public transport in Victoria.

One regularly sees in the media reports about the Minister of Transport claiming to have made great inroads into the problens of public transport, saying how it has improved and how things are getting better almost daily. One area of concern must be the deficit, because it was approaching $200 million when the Government came to power just over a year ago. As I understand it, for the first time in Victoria's history the loss on the railways, which will be about $336 million this year, will exceed the State's total expenditure on roads of $334 million. That is a tremendous increase in the deficit just for VicRail. In addition, we understand that it will cost $589 million this year to operate Victoria's railways, and of that amount only $253 million will be recouped in fares and freight charges. Public transport is not concerned just with money; we acknowledge that there are many areas in which the Government is called upon to provide services that are not profitable. One of these is the constabulary. Nobody expects

to be able to run the Police Force at a profit, and nobody would suggest that should be done, but any Government—even a Socialist one, as is the present regime—must have some responsibility to look after the interests of the taxpayers. What is happening with public transport in Victoria is that there is a huge blow-out in financial deficits, not just in VicRail but across the board.

The same situation applies to the Melbourne and Metropolitan Tramways Board. Indeed, the loss of the Tramways Board will jump by $10 million to $60 million. That is an increase of more than 20 per cent in one year, so there is no way in which the Government can claim to have a proud record of looking after the taxpayer's dollar in the year that it has been in office.

In addition, the taxpayer will support the operators of private bus services by just under $28 million. This is a staggering increase exceeding 37 per cent in one twelve-month period, so there are significant financial problems to be faced in the management of public transport in Victoria over the past twelve months.

What is one of the answers to the problem that the Minister has come up with? Money cannot be spent *ad infinitum* without more being raised, and one of the Minister's brilliant schemes has been to sell existing stock that was owned by the community and to borrow money, in the main from overseas, to fund continuing running costs of public transport. Although initially some people may consider that scheme to be attractive, it is obviously a short-term, stick-the-finger-in-the-dike solution, because one cannot go on selling assets one owns. The day must come when the revenue generated comes mainly from two areas. One must be from revenue collections of the entity concerned.

Naturally, one would expect that continual rises will occur in fares and freight charges—akin, I suppose, to the average annual rise in inflation—and we do not argue against that; I do not think any fair-minded person would argue against it. The other form of revenue must come ultimately from the taxpayer, and that means increased taxation. The Government cannot continue *ad infinitum* to sell off stock it owns to get cash in hand to finance schemes, because the day of reckoning must come.

The Minister of Transport wrote to my colleague, the Honourable G. P. Connard, the honourable member for Higinbotham Province in another place, stating, in part:

> The value of railways rolling stock sold as at 1 December 1982 was $28·27 million.

We thank the Minister for finally providing that information. In relation to trams, the Minister stated:

> 68 trams presently in service have been sold to provide the $24·62 million.

So 68 trams have been flogged off to raise more than $24 million. The letter continues:

> The trams have been sold to various finance companies as arranged through Chase-NBA Group Limited.

The Minister goes on to provide further enlightening information:

> At the time of entering into the lease arrangements, the interest costs associated with these arrangements were less than that which would have been incurred had they been financed by normal semi-government borrowing.

Initially that sounds reasonably attractive, but he goes on to state:

> The total income from the introduction of lease financing for 68 trams has been $31·62 million. The trams had been purchased previously. Lease payments made from 1 April 1982 total $3·62 million and the annual cost

here is the bottom line—

> is approximately $5·27 million.

From that information we have been able to deduce that 68 trams have been flogged off to raise $31 million, and the cost to the community annually will be $5·27 million. That is by no means at low interest. No matter how one looks at it, it is a high rate of interest—approaching 20 per cent per annum.

I have been quoting from the Minister's correspondence and I doubt that it would be incorrect, because I understand the Minister to be a fairly fastidious gentleman; no doubt he read the correspondence carefully before forwarding it to us. He has received $31 million and is paying out $5·27 million in interest charges. To me that is not good financial management.

I shall go into other areas that the Bill encompasses, and I shall quote from the

Melbourne *Age* of 16 March 1983 where it talks about vending machines.

The SPEAKER (the Hon. C. T. Edmunds)—Order! Would the honourable member direct my attention to where this matter is mentioned in the Bill?

Mr BROWN—The article I shall quote from is not contained in the Bill, but the Bill, as I understand it, encompasses the total running of VicRail and of the other entities, part of which will be the question of whether ticket vending machines are to be installed at stations.

The SPEAKER—Order! The honourable member would be in order in making a passing reference to the matter, but I direct him to the Bill.

Mr BROWN—My passing reference will simply be that it has been established that these ticket vending machines can be converted for use by VicRail and can be used to reduce the deficit that is faced up to in the Bill. The Minister has decided not to take into account the value that those machines would be to the community in reducing the deficit. That is a shocking situation. If I had been running for election, as was the Minister, I may not have gone ahead with the plan to use the ticket vending machines either.

Representations have been received from the Bus Proprietors Association on the Bill. I will not speak at length on this point, but in part, the association states:

> The Bill specifically excludes any form of compensation if a licence to operate a commercial vehicle is not renewed or cancelled.

Indeed, I understand that the Minister has made what should be the situation prevail and that compensation will be available where the State takes that service away. That is only fair and reasonable because, in many cases, people have invested their life savings in these businesses.

Clause 90 is repugnant to bus operators. Its scope is such that the Government could, by the stroke of a pen, destroy the livelihood of those providing any form of bus service without them being compensated in any way. An operator who has developed a charter and touring service, for example, may find that it can disappear overnight.

Prior to the election, the Minister stated that when he became Minister of Transport he would reinstate certain train lines, and that is his prerogative. If those train services are reintroduced prior to the expiry of the contracts that bus proprietors have with VicRail, I should like the honourable gentleman to indicate that those operators will be paid out in full to compensate for any losses that they may incur.

The Opposition received a voluminous document from the Municipal Association of Victoria from which preceding speakers have quoted. The association has emphasized, as have honourable members, that the time allowed to consider the Bill after its introduction, some three weeks, is entirely insufficient. It does not allow adequate preparation and consideration of the Bill's provisions. The Government has been in office for more than one year and it has had time in which to introduce Bills to the House that are not introduced too late for adequate consideration. In some cases, Bills have been introduced that comprise of photocopies and their wording has been indistinct. It is unreasonable for the Government to expect these Bills to be rushed through Parliament and debated at the end of a sessional period.

I refer to the sorry saga of the recent sale of railway land at Doncaster.

Mr Crabb—What is the "sorry saga"?

Mr BROWN—Several hundred people lined up to purchase that land on the basis that it would be sold on a particular Saturday morning at 9 a.m. first in, first served and with restrictions placed on the number of allotments purchased. I am thankful that I was not one of those who lined up for a couple of days prior to the sale and who got wet waiting in that queue. The Minister of Transport is well aware that, although it was claimed that the method of sale would be fair and reasonable to all persons who wanted to buy that land, the facts are that one entity was able to buy twelve allotments, which was not fair and reasonable, and that, in a further seventeen singular transactions, 47 allotments were sold. In other words, one entity purchased 12 allotments and 17 entities purchased 47.

It is evident that the people who wanted to purchase allotments were treated unfairly and were not given the chance because bulk purchasing was allowed to occur. Only

nineteen people genuinely purchased allotments on which to build houses. The Government very generously gave twelve months' interest free terms on the sale of that land so that the people who bought the twelve allotments were given more than $300 000 interest free for twelve months. There were no conditions to the sale. Those people can do what they wish with those allotments. They can dispose of them if they wish.

The SPEAKER (the Hon. C. T. Edmunds)—Order! I suggest that the honourable member directs his remarks to the Bill.

Mr BROWN—Under the provisions of the Bill, there is no indication of how the Government in future will dispose of land held by any entity that is under the jurisdiction of the Minister of Transport.

The SPEAKER—Order! The honourable member should debate those issues during the Committee stage of the Bill.

Mr BROWN—I shall do so. The Opposition wants an undertaking from the Government on its future proposals on that issue. Municipalities have complained bitterly about the lack of time given for consideration of the Bill. The Royal Automobile Club of Victoria has complained about the decision of the Minister of Transport to give trams priority over cars.

Mr Crabb—This is the third time that I have heard this.

Mr BROWN—I dare say that the Minister will hear about this many more times. The Royal Automobile Club of Victoria wants to get its complaints through the thick skull of the Minister. I do not know how many times he has to be told that his proposals are not in the interests of the community. Far more people use cars to go to work than trams, yet the Minister is planning to do away with clearways on the basis that trams must be given priority over cars.

The SPEAKER—Order! The honourable member is well aware of the rules on tedious reputation in this place and I suggest that he returns to the Bill.

Mr BROWN—I will refer specifically to an Act of Parliament that I understand will be repealed by the Bill. When the Transport (Westernport Bay) Act 1957 was brought in, its purpose was clear and specific. The Minister of Transport is aware of the complexities of ferry transportation in Westernport Bay and, indeed, the Bill includes provisions covering activities of ferries. I quote from *Hansard* of 16 May 1957 when the Transport (Westernport Bay) Bill was introduced. The then Minister of Transport said:

> This measure directs attention to a transport problem of a kind that is experienced in all civilized countries throughout the world where there are periods of high traffic while, during other periods of the year, the traffic falls so low as to make it unprofitable for the operator to carry on the service, thus requiring the adoption of some form of regulation to ensure that essential transport can be maintained in what would otherwise become an isolated area.

Indeed, there is no more isolated area in Victoria than French Island in Westernport Bay. There is no link with the mainland that can be traversed by a motor vehicle, there is no bridge, and the only method of taking a motor vehicle to the island is by barge. The Bill is critical to the future of those persons on French Island and if their only form of transportation to the island is put at risk, obviously their livelihoods, lifestyles, businesses and work will be jeopardized.

Inquiries have been made in Parliament on the servicing of French Island by ferry. The transport problems in this area on at least two occasions have been the subject of inquiry by Parliamentary committees and in each instance the need for maintaining the essential service between Stoney Point and Cowes and French Island was emphasized.

The State Development Committee inquired into this problem in 1946 and went so far as to recommend that a complete ferry service be owned, controlled and operated by the Transport Regulation Board and that the necessary legislation to implement this recommendation be enacted as soon as possible.

A former honourable member, then Leader of the Opposition, John Cain, Senior, a former Premier of the State, as recorded in *Hansard* of 23 May 1957, stated:

> All members must realize that there is no room for free competition in passenger transport in Westernport

Bay, and the only way to provide local residents with an adequate service is to grant a monopoly.

It is to be hoped that the Minister of Transport takes heed of those words. It is imperative that a regular, safe, reliable service be maintained for the community of French Island. The Minister should give a clear indication that he will guarantee the future of the ferry service for the community of French Island.

As the next Government, the Liberal Party gives an unequivocal commitment to the maintenance of that service for French Island. A Liberal Government would be prepared to maintain a regular ferry transport service. At present there is more than one ferry operator on Westernport Bay. It may be that the Government could consider calling tenders to ensure that the best possible service is provided. That service is crucial to the community of French Island.

Mr LEIGH (Malvern)—The Bill is perhaps the most important piece of proposed legislation that will come before the House in the life of the Parliament. When the Minister of Transport was the shadow Minister of Transport, he was all too willing to carp about the then Liberal Government making appointments and bringing a Bill before the Parliament to authorize those appointments. The Bill represents a massive reorganization of jobs within the transport network. It is a perfect example of the Minister making various appointments and attempting to use the Parliament as a rubber stamp for those appointments.

The presence of two Government members is indicative of the support the Minister has. That does not augur well for the future operation of the Bill.

The Bill covers a mammoth number of areas such as local government and financial management, and it will involve a massive reorganization of transport personnel. Although the Opposition is critical of some aspects of the Bill, it is hoped that the Government accepts the amendments foreshadowed by the Opposition. The Bill, when passed, will authorize the Minister to transfer funds from one area to another. The Minister will be able to transfer funds that are raised through the petrol levy to either the proposed Metropolitan Transit Authority or the Road Traffic Authority. The Bill, if passed, will mean that the Minister will not have to seek the approval of the Parliament to transfer that money.

Municipalities desperately need more road funds, which the Government is not willing to provide. Indeed, the Minister appears to have a preoccupation with trying to ruin the motorist. The Minister believes public transport consists solely of trains, trams and buses. However public transport consists of whatever the public wishes to use. If the public wishes to use motor cars, that mode of transport should be considered part of the public transport system.

The Minister should not adopt a cynical attitude towards the motorist and ignore totally the motorist in favour of trains and trams. When the Minister was in Opposition, he attacked vigorously the new generation of trains and claimed that they would not work. Today, more of these trains are being built for the train network. Why? It is because these trains are good, but when the Minister was in opposition, he attempted to score cheap political points by criticizing the new trains. That is what I mean when I say that the honourable gentleman is a most cynical Minister.

If clause 38 is adopted, it will permit the bureaucracy and the Minister to do what they like. That would be objectionable. The Government has no right to allow the bureaucracy to run wild and to enable the Minister, with the stroke of a pen, to do what he wishes. If the Bill is passed, the Minister will be able to authorize the railway engineering shops to compete with private enterprise. However, the Minister will not permit private enterprise to compete with the railways because if that were to happen the railways would go out of business. Under clause 16 (3) (*c*), the Minister will be able——

The SPEAKER (the Hon. C. T. Edmunds)—Order! I advise the honourable member for Malvern that if he wishes to quote the clauses of the Bill, he should do so during the Committee stage.

Mr LEIGH—The Bill, if passed, will declare some streets clearways for trams. For instance, either Sydney or Glenferrie roads could be declared clearways for trams. The Government has supposedly declared its concern for small business, but the Minister is prepared to drive thousands of operators of small businesses out of business by declaring that there will be no parking on

the sides of some streets and roads along which trams run. It is obvious that the Minister will force many local shoppers to park in side streets by declaring many roads and streets clearways for trams.

The SPEAKER (the Hon. C. T. Edmunds)—Order! The time appointed by Sessional Orders for me to interrupt business has now arrived.

On the motion of Mr CRABB (Minister of Transport), the sitting was continued.

Mr LEIGH (Malvern)—If this Minister declares these roads to be freeways, he will drive thousands of businesses throughout metropolitan Melbourne out of business, and he will cause such confusion on the road network that deaths will result. I find such concepts of the Minister offensive.

Within the last day or so the Minister announced there would be an arterial road link between the South-Eastern Freeway and the Mulgrave Freeway. That is somewhat of a "Clayton's" when the Minister is not prepared to build a freeway but an arterial road with traffic lights in the centre. The Minister's Parliamentary colleagues are so numb with fright at the word "freeway" that they are not prepared to examine the problem and make some over-all judgment. When the Minister announced this proposal, he said, "While I am Minister it won't be a freeway."

Today, in the *Chadstone Progress,* the Minister of Transport is quoted as saying, "I do not know where transport will be in twenty years' time".

The SPEAKER—The honourable member is in order in making passing reference to these matters, but will he now direct himself back to the Bill.

Mr LEIGH—There are so many inconsistencies in this Bill that the end result will mean chaos to the city of Melbourne, as some members of the National Party and the Liberal Party have pointed out.

Mr Crabb—I thought you were supporting the Bill.

Mr LEIGH—Yes, with some amendments to fix the band-aid attempts of the Minister. There are three or four Government back-benchers in this Chamber who are prepared to squawk and squeal, but they are not prepared to stand up and debate this Bill. How many members of the Government party have trams in the electorates they represent? What are they doing in support of the businesses in those communities and their responsibilities to them? Not much! Unless the Minister is prepared to accept some sound and rational advice from the Opposition, he will damage businesses and people in the community economically, which the Government cannot afford to do.

As the honourable member for Westernport said, when the Government came into office VicRail had a deficit of $200 million. Today the deficit is substantially higher than that, and that means more taxes for the people of Victoria.

The Minister of Transport said he is going to introduce a Green Paper. Where is it? The Government is supposed to have some over-all concept of transport in metropolitan Melbourne, yet all the people get are band-aid attempts in one form or another.

I would like to know about a ring-road around Melbourne. The residents in the electorate I represent will lose properties in the connection of these road links. What about compensation for them, and what about the people who live on the side of those freeways? What happens about the loss of rate revenue to municipalities? The Minister did not mention that in his press conference about the freeway issue. All he said was that there was going to be an $84 million himself back to the Bill.

There are 256 clauses in this Bill, and we will be here until 7 o'clock tomorrow morning amending the Bill for the Government. The Opposition is having to do the job that the Government is not prepared to do. The Opposition is not going to give way on this issue; it is too important to metropolitan Melbourne.

Mrs SIBREE (Kew)—Bearing in mind the late hour, and the fact that the Minister, for one, is becoming very testy that he is still in the chair, my comments will be brief and hopefully to the point. I make my comments from the perspective of someone who sat on the previous Metropolitan Transit Council for three years, and I pay a passing tribute to the work of the people who were on that council who tackled the problem of metropolitan transport and advanced to the stage where they were better able to co-ordinate and understand the problem that

Melbourne was facing with transport. The council came up with a number of ideas and suggestions and worked very hard.

I am aware, from sitting on that council, that there was a need to rationalize and change the structure of transport in this State, and the Opposition is mindful that was the case. However, there are a number of principles attached to the Bill, on which I wish to comment.

I pay tribute to Alan Reiher. I was delighted to be able to work with him on the Metropolitan Transit Council, and I came to admire his capabilities, his integrity and his spirit of hard work in decision-making. Victoria is very lucky to have someone of his calibre working in the transport area of this State.

I cannot help but comment on the shabby manner in which this Bill has been introduced to the House tonight. I am disappointed that the Minister, who previously had worked in areas like the Public Bodies Review Committee, on which I worked with him, and who believed in efficiency in management, should not do things properly. I am concerned that the Bill will be subject to substantial amendments, which indicates to me a lack of complete consultation in respect of how this Bill has been dealt with.

It has been canvassed earlier tonight that many municipalities have had insufficient time to make input to the Minister on the Bill. I am also aware, not so much from the municipalities' point of view, but from councillors that, because of the very short time limit, the consultation has been basically with officers of municipalities, and councils which have transport committees have not had sufficient time to look at the Bill and digest it.

It takes a couple of months to get that process going, and that has not been available, as I understand it, throughout most councils in the State. Honourable members should be mindful that much of the Bill is a re-enactment of existing legislation affecting the Victorian Railways, the Tramways Board and so forth and that a fair portion of the measure relates to provisions already in place. It certainly contains substantial changes that are difficult to grapple with in a short period and in the hasty manner in which the House is dealing with the Bill tonight. That is a sad reflection on how Parliament must deal with one of the most major Bills to come before it in a considerable time in the transport area.

My concern about the Bill, apart from a number of fundamental issues that have been fully canvassed in the debate, such as the accountability of the Minister, and how funds will be controlled and how Parliament will be informed of the transfer of funds from one area to another, is the fact that the Bill is a public transport Bill. That raises questions of general principles of what transport should do in this State and the city. It seems that the thrust of the Bill and the Minister's comments lay emphasis on public transport, rather than a flexible co-ordinated transport system that encompasses not only trams, trains and Government-owned buses, but also co-ordinates a flexible on-street transport system that includes private buses and privately-owned vehicles.

When I was a member of the Metropolitan Transit Council, it seemed that one of the important issues—I speak more from a city perspective than a country perspective—was the need to have a flexible on-street transport system. The question of expanding rail and tram services required large expenditures of money and it seemed that the transport consumer was looking for a transport dollar that went further and was spent more efficiently.

I am concerned that the attitude of the Minister and the structures being created in the Bill are putting more emphasis on the public transport sector, rather than a flexible integrated transport system for all the State, particularly metropolitan Melbourne. This point is borne out by the attitude expressed in the Bill, such as the attitude on private bus owners. I am mindful that several years ago a report was commissioned within the Ministry and through the Metropolitan Transit Council on public transport in Victoria. One of the points made in the report was that if one compared bus operations that were carried out by the Government and private operations in terms of value for money and the cost per passenger kilometre, one would note a much better return and cheaper cost of operation with a similar subsidy arrangement through the private bus operator. The attitude expressed in the Bill in the clause relating to

private bus operations indicates that there will be no compensation for changes of route and so forth. The Minister has not addressed himself to those facts and is overlooking the need for a flexible transport system in Melbourne.

The Minister has indicated that he does not believe in freeways, for some reason or another, yet there is a vital need, within the metropolitan area, not so much to link into the city, as Melbourne has adequate fixed rail transport into the city in many ways, as for a cross city transport interlinking system. The attitude expressed in the Bill on private bus owners who tend to be carrying out this linking process, indicates that the Minister does not have regard for the private bus owners, who are running their services in most instances much more efficiently than the Government-run bus services and need much more flexibility. They provide a flexible service to users, particularly in the outer suburbs linking places such as Ringwood and Frankston and Ringwood and Heidelberg. The outer Melbourne linkages are extremely important to many people. It seems that the Minister misunderstands this matter or has not indicated that he is aware of the need for that flexibility in the second-reading speech. In refusing to understand the need for compensation with changed routes to make them more flexible to meet the transport needs of the people, particularly in the outer areas of Melbourne, the Minister's attitude expressed in the second-reading speech indicates that the Bill will not necessarily achieve those ends.

In passing, I cannot help but say that the Minister is reaping many benefits from a number of decisions taken by the former Liberal Government on transport. He is reaping the benefits of the new trains that are currently in operation, although obviously more are needed and the Minister is slow in providing them. There are also new trams, which the Minister is now flogging by way of leasing and honourable members do not know how they will be ultimately paid back. A flexible ticketing system was initiated by the Liberal Government in the past eighteen months or two years of its office, which started a new, exciting and well-received system in Melbourne. He is also reaping the benefit of extra patronage on trams, especially through the East Burwood extension. He recently stated that he was extremely pleased to note tramways revenue and patronage increasing this year. He failed to quote the figures of the previous year when the Liberal Government, by making decisions, also brought about an increase in patronage in these areas. There had been a distinct improvement in the public's attitude to public transport in Melbourne, primarily because of new rolling stock, a more flexible ticketing system, the upgrading by the Victorian Railways of the underground rail loop, and in conjunction with that, time-tabling, management of trains, reduction in the number of hours lost and trains cancelled because of improvements in signalling and other related matters at Flinders Street station and the railway yards. The Minister is benefiting from a number of important areas that were being affected by the former Government.

I point out to the Minister that the Bill, which is a public transport Bill, has failed to understand what has been the causal changes in people's attitudes to using transport in metropolitan Melbourne. One of the most significant changes in a family's life, which was borne out in the reports of Pak Poy some time ago, was the change from using public transport to one's private car at the point of time when a family changed from one car to having two cars. That matter is personal choice. The Minister cannot fly in the face of that personal choice and needs. In other words, he has tried to force people back on to public transport. He must take into account the fact that the total system, including rail cars, buses and taxis, must be flexible if it is designed to meet the needs of people using the system.

I cannot help mentioning a number of problems in the electorate I represent. I hope the Minister will be as hasty in making decisions relating to the extension of the Eastern Freeway from Kew as he has been in making decisions on this Bill. When the Labor Party came to government over twelve months ago, he indicated to the City of Kew, myself and others that he was contemplating a review of the extension of that freeway, which is a feeder road for the Eastern Freeway through the Kew area. The review was intended to take a couple of months and, fourteen months later, the result of that review is not known. Admittedly, the Minister may have been busy

changing his mind on decisions in other areas.

In the meantime, the public transport system is in limbo. Bus routes are ready to be extended but they cannot be extended until such time as the future of the E6 feeder road is known. The Minister is absent from the Chamber at the moment, but I trust that he will catch up with my comments and I seek from him a response that the short review will be no longer such a medium-term review. It is becoming an ancient review, and I hope the Minister will make some hard decisions.

If the honourable gentleman has a real commitment to public transport—he indicates that that is where his priorities lie—I challenge him to make up his mind on what he is going to do. Opposition members are well aware that he is the Minister for changing his mind, and I hope the honourable gentleman will at least make up his mind on this matter, which is causing difficulties.

My attention has been directed to a number of areas concerning the transition provisions, and I will raise those matters in the Committee stage. Concern has been expressed by persons who are associated with the tramways benefits funds that the provisions seem to exclude those persons. I am also concerned about the composition of the authorities and, in passing, I refer to employee representatives on those authorities, as well as to the current provisions of the Bill in respect of all of those authorities. I speak generally when I say that employee representatives or union officials should represent employees on the authorities. There is no indication in any of those areas that those union officials who are elected must be employees of the authorities for whose employees they are the representatives. That is a difficult situation, because those who deal with these involved areas where hard decisions must be made should have a strong and direct link with the authorities by way of employment and a real understanding of what the authorities are attempting to achieve.

Employees have expressed concern about the determination of their qualifications to work in particular authorities. Again, I will refer to this matter in more detail in the Committee stage of the Bill, but the general question needs to be asked: Who decides the qualifications of the employees of the various authorities? The Bill, as drafted, provides that the Governor in Council may make regulations and rules concerning a number of matters, including the qualifications of employees. It has been drawn to my attention that the authority itself should determine the qualifications of its employees, because those concerned know what they need.

The Opposition will not oppose the Bill, but a number of questions need to be asked. In my opinion, it is not a transport Bill; it is a public transport Bill. The Minister is not committed to a flexible, co-ordinated, overall system. He has failed to see the needs of private motorists and the need for a flexible, on-street system within the metropolitan area, to which he has not referred and which is not given sufficient priority in the Bill.

Finally, I am disappointed at the way in which the Bill is being dealt with and the fact that honourable members have a skeleton Bill. Many more corners must be turned before the Bill is in proper shape.

Mr RAMSAY (Balwyn)—It is of some regret to the Opposition that members of the Government party have made no contribution to the debate.

Mr Spyker—We want to get home before 4 a.m.

Mr RAMSAY—Judging from the interjection of the Minister of Consumer Affairs, it would appear that the Government is not prepared to allow time for Parliament to consider these issues or else Government supporters believe the Minister has already said all that needs to be said about this extraordinarily large and comprehensive Bill.

I regard the Bill, in the first instance, as a courageous effort by the Minister of Transport to consolidate and rationalize the transport systems of Victoria, but the House needs to examine carefully the contents of the Bill. In spite of the Minister's courage, he has nevertheless found it necessary to introduce a Bill that contains 256 clauses and twelve schedules in an endeavour to simplify and rationalize the complex area of transport in this State, be it rail or road transport.

The Bill contains a number of broadly cast objectives and innumerable functions for each of the new authorities. It gives each

of those authorities incredibly broad powers and provides the Ministry and the authorities with some highly questionable financial controls.

I raise with the Government the adequacy of the Bill as drafted. Despite its length, it leaves some areas that will very readily get out of control, if the Minister is not careful.

I turn to the objects and the functions of the authorities, as spelt out. For some reason, the Minister has seen fit to spell them out in minute detail, even though an examination of the detail suggests that it is a case of words for the sake of words rather than really setting out relevant objectives for the various authorities.

The objects and functions of the Ministry are spelt out in clause 4. The Ministry has a significant number of functions, but one overriding object. That object is to improve the efficiency and effectiveness of transport facilities and networks to meet the needs of the community—a broad object to which there would be little if any objection from any honourable member.

The objects and functions of the State Transport Authority are set out in clause 14, which specifies 9 separate functions and no less than 22 objectives. Apparently the Minister sat someone down to think up some objects for the authority— as many as possible. The honourable gentleman appears to have conducted the same exercise for each of the four authorities, thus adding to the voluminous nature of the Bill.

It should have been possible to spell out the objects and functions of the authority in simple, unambiguous terms and in far fewer than the 22 objectives that are presented by the Bill.

As set out in clause 16, the Metropolitan Transit Authority has 8 functions and 21 objectives, so it appears to be not quite as busy as the State Transport Authority.

Likewise, the Road Construction Authority and the Road Traffic Authority each have eight functions and fourteen objectives. The mind boggles when one considers the functions of the Road Construction Authority and notes that one of those functions is to compete on the open market for work.

It would be interesting to get an explanation from the Minister of what sort of work the proposed Road Traffic Authority will be competing for on the open market when its responsibilities include the construction of roads, the registration of motor vehicles and the maintenance and development of road safety programmes in Victoria.

In setting out the objects and functions of the various authorities, the Bill has been subjected to the addition of words for words sake. No real thought has been given to each of the authorities or the appropriate function and specific objectives that should be spelt out in the legislation.

I referred to the use of excessive words. When the Bill deals with the powers of the authorities it goes to the other extreme and gives the authorities an over-riding power. If one looks at clause 38 (1) one finds that in no more than four lines the Bill states:

> Each Authority and the Agency has power to do all things that are necessary or convenient to be done for or in connexion with, or as incidental to, the performance of its functions and the achievement of its objects.

Having gone to great lengths to spell out the objects and functions to the point of being superfluous, the Bill turns around and accords to each authority this unlimited power in clause 38 (1).

I cannot believe that if the Government wants to rationalize and establish a good corporate structure in the area of transport in this State, it is a good idea to give statutory powers of such a sweeping nature as those in clause 38. It gives the authorities tremendous room to move.

There are certainly other areas that indicate a degree of Ministerial direction and Ministerial oversight—requirements for the Minister to determine quantitative targets for the different authorities. I will come to that matter in a moment. Contained in clause 38 is an unrestricted power. The presence of that power in a piece of proposed legislation as large and as far reaching as this Transport Bill must give the Parliament some cause for concern.

Let me turn to a matter of some particularity, to the question of financial controls that are included in Part IV., which commences at clause 57. Here there are a number of requirements so far as financial matters are concerned in the first division

covering the budgets and accounts. Clause 58 (1) provides that:

> The Minister shall after consultation with each Authority make a written determination of the quantitative targets to be attained by each Authority in a financial year.

Clause 58 details the mechanism for doing this, the way in which the Minister may from time to time adjust those quantitative targets. The Minister is required to advise both Houses of Parliament of variations he may have used for the quantitative targets in the course of a financial year. The nature of those quantitative targets is not disclosed. The Minister will have an interesting time working out what meaningful quantitative targets he will give to each of the authorities.

I hope that in the course of his response to the second-reading debate, the Minister will give some clue to the way he will tackle his assignment as it is spelt out in the Bill.

I now refer to Part IV. of the Bill.

The SPEAKER (the Hon. C. T. Edmunds)—Order! I advise the honourable member that this is a difficult Bill to debate, but, from the way he is approaching his remarks now, it seems to me it would be better if he reserved his remarks on each clause for the debate during the Committee stage.

Mr RAMSAY—Mr Speaker, thank you for your direction, but it is my intention at this stage to give the House some feeling of the nature of these questionable financial controls. I shall certainly avoid going into detail concerning them. That detail will be held until the Committee stage.

In viewing the over-all nature of this Bill, and the attempt of the Government to co-ordinate and rationalize the total transport system of Victoria, it is tremendously important to recognize that these sorts of financial controls are far from adequate.

To give one example, there is a requirement for budgets to be prepared by the Minister in consultation with the authority, in the first instance, and then with the Treasurer. Having approved the budget for each authority there is then a requirement for the Minister and the Treasurer, in the event of one of those budgets being in deficit—having approved of it—to then consider how that deficit will be funded. This is an example of some of the upside down features of the Bill.

It is clear that if the railways are going to be run at a deficit—and there is every chance that they will be—the funding of that deficit must surely be considered by the Minister when determining whether or not he will approve of the budget. The way the Bill is written, the budget is approved and then the Minister and the Treasurer sit down and consider how the deficit will be financed. I do not need to go into further detail at this stage as I will do so during the Committee stage.

For the Government to be introducing proposed legislation with that type of provision, with complete lack of adequate financial control, it runs the grave risk of not improving the situation and the cost of public transport in Victoria, but letting it run even more out of control than it probably is at present.

The House must look at these matters very carefully before it approves of the details contained in this measure.

Mr WILLIAMS (Doncaster)—I support the general thrust of the Bill. However, like previous speakers on the Opposition side of the House, I wish to speak generally on the problems of the transport authorities and their deteriorating financial position. In my opinion the finances of the State are being reduced to a condition of virtual chaos because of huge deficits, particularly in the railways, which amount to $350 million this year.

The railways like all other public utilities, have been caught up with the endless round of rising costs. Various Governments, both past and present, have significantly increased their charges. About 70 per cent of the railways costs are labour costs. The railways are particularly vulnerable to wage rises. Wage rises affect the railways more than competition from other carriers, particularly the road competition. Wage increases are responsible for the railways present predicament. It is a grave weakness of most Government-run instrumentalities that they are forced to abandon successful business principles in conducting their affairs.

It is now on record that the previous Minister of Transport—the great hope of

the Liberal Party—crashed because he tried to bring rationality to the transport system.

Mr Crabb—Is he your new Leader?

Mr WILLIAMS—I hope he is. He tried to bring rationality——

Mr Crabb—That is the kiss of death.

Mr WILLIAMS—It may not be. I remind the House that not even one of the legendary figures of this Parliament, Sir Arthur Warner—one of the greatest Ministers of Transport—was game to take on the railways and try to get sanity into the finances of the railways.

I am categoric in stating that the Lonie report, while it may have been an outstanding economic financial and accounting analysis document, lacked political nous. As much as anything else, it destroyed the Liberal Party, along with the railway lines in the eastern and bayside suburbs. The Liberal Party did not get full marks for trying to bring rationale into the railways system.

Transport authorities have all too frequently been involved in politics. They have not been the tools of enterprising and efficient management; they have not been concerned with profits, but have tried to placate the unions running the transport authorities. Without the compulsion to reduce costs or close down activities, increasing losses on the transport system have become political facts of life. No Government that wants to retain a majority in this place can do much about that.

As with the previous Minister, the present Minister of Transport—I presume he is one of the Labor Party's white hopes—is also suffering the same frustration with the trade unions and other vested interests in trying to get sanity into the transport system. I wish him well, but I doubt whether this Government will be any different from the Governments of the past. Because of the strong resistence from all quarters, it will be an up-hill task to achieve a satisfactory solution to the burden of transport deficits on the State Budget.

The community cannot escape paying for transport services because, by and large, they are provided under cost through extra taxes or by some other way. Last year, the metropolitan passenger and parcel service spent $130 million, of which half was recouped in fares and charges. The country service was even worse. It spent something like $90 million and only recouped one-third of that revenue. Even the much vaunted freight system cost approximately $250 million and returned only $100 million. This burden, instead of falling on railway users, falls on the smaller income earners, the people who run their own cars and rarely use the railway.

If railway deficits cannot be funded by increased fares and charges, they can be funded only by loan moneys. Regretfully, in recent times, lease-back arrangements have been used. If funny money is going to be borrowed and precious Loan Council allocations depleted, much greater priority should be given to hospitals and vital community social welfare services which are lagging far behind.

Mr Walsh—You would let the people walk.

Mr WILLIAMS—I do a great deal of walking. I am a proud user of public transport in Doncaster, but I do a lot of walking every morning, and it is one of my best vote catchers—all the motorists heading for the freeway recognize me.

The sheer economics of the matter demand that something be done to reduce the appalling passenger losses, both suburban and country. As I have pointed out, more than $120 million was lost last year. Undoubtedly, this Bill will spark off an improvement in administrative efficiency of the railways and will result in some operating economies. I am extremely impressed with Mr Reiher and the other gentleman who has been appointed to the railways administration. They are both able, first-class men. However, members must face up to the fact that the railways problem is a classic example of democratic irresponsibility. The railways are the victims of inflation, militant unionism, and selfish vested interests, whether of surburban passengers or farmers or businessmen. I speak with some memories of the party room as every time one wants to put up freight rates, there is trouble as no wants to do it.

As hopeless as the plight of the railways appears, it is vitally necessary that vigorous and radical measures are undertaken to reconstruct railway finances on a sound business basis. Of all the Ministers of the Government, I believe the Minister of Transport is capable of achieving some

stabilization in Victorian Government finances by getting on top of this appalling financial deficit.

It is interesting that I am speaking at length on railways, because I must be the only member in this place who does not have a railway in the electorate he represents. I am told that, in the years ahead, a light railway may be established, but I will believe it when I see it. Because of the lack of public transport, the electorate I represent is one of the most highly motorized in the world. About 90 per cent of the people in the electorate are dependent on motor cars and there are many two-car families. Those people may have motor cars, but they are paying heavy taxes to meet railway costs and other people are enjoying the services.

The amount allocated to municipalities for main and unclassified roadworks is woefully inadequate; less than $20 million is allocated in the metropolitan area. The population and traffic growth in Doncaster and Templestowe have far outstripped the financial ability of the city council to provide and pay for road works. The City of Doncaster and Templestowe is responsible for more arterial roads than almost any other municipality. It has been estimated, at the present level of funding, that it will take 60 years to complete construction of all unclassified roads in Doncaster. That is a shocking state of affairs. It will not be until well into the 21st century that roads will be fit for civilized people.

The total Country Roads Board allocation for all municipal works in Victoria has risen from $97 million in 1981-82 to $113 million this year. That is an increase of 16 per cent. In the same period, the allocation for Doncaster and Templestowe increased from $1·83 million to $1·925 million—an increase of only 5 per cent. That is way behind the increase in road costs which, I understand, have increased by 15 per cent on the past twelve months.

In real terms, there has been a serious deterioration in the level of road funding in Doncaster and Templestowe. Road funding is a particular problem in regard to unclassified roads. The allocation for Doncaster and Templestowe for unclassified roads has remained at about $300 000 for the past seven years. That is chicken feed; $3 million a year ought to be spent.

The roads leading to the Eastern Freeway—Bulleen Road, High Street, Elgar Road, Tram Road, Williamsons Road and many other roads in the electorate I represent—are given a high priority in the roads hierarchy and there are other roads in the Board of Works hierarchy which are given virtually instant priority for reconstruction. However, the money is just not available.

I am glad that the Minister is adopting a better attitude towards freeways. When he first became Minister of Transport, I thought that freeways were forever damned. However, I think he might have had another look at the situation and I hope that he can see his way clear to construct the Eastern Freeway extension to Ringwood. Well-documented research exists on the need for this freeway extension, which has been determined on the basis of traffic flow, environment and so on.

A number of advantages will accrue from extending the Eastern Freeway to Ringwood. At present, the traffic volumes in the eastern suburban municipalities, from Doncaster through to Ringwood, are nearing full capacity and all the main east-west roads, between the Yarra River and Canterbury Road, and from Doncaster through to Croydon, are virtually at peak capacity. As a result of high traffic volumes, the principal arterial roads have provided a poor standard of service to the travellers. Travel is often extremely slow during peak periods and it sometimes takes a person up to two hours to get to the city from the outer suburban areas, and two hours to get home again. I hope that, when the election comes around in 1985, a number of frustrated travellers who put this Government into office will put it out of office.

The present traffic conditions in this area are adversely affecting the amenities' usefulness to the community and properties along arterial roads. It is becoming increasingly difficult for small businessmen to earn a living because of the grandiose ideas of the Government about having clearways. If priority is to be given to fixed rail transport such as trams, the life-blood of these outer suburban areas will be severed, because the traffic comes from the motor car not from the tram.

This is a matter that needs to be seriously considered by the Government and that is all the more reason to speedily develop the Eastern Freeway extension to Ringwood. It is an increasing problem in these residential areas because traffic is diverting through the small residential streets in an attempt to avoid the heavily-trafficked arterial roads. This has created a nuisance and traffic problems for people who live in the area.

The population growth in the eastern traffic corridor continues to be high as a result of the availability of land that the Minister, through his generosity, has made available by disposing of surplus railway land. That is further increasing the population in areas such as Doncaster and Templestowe. There is no doubt that, with this diversion of the population to the outer suburbs, the traffic conditions will continue to deteriorate. There is no doubt that much of the traffic in outer suburban areas such as Doncaster and Templestowe, Warrandyte and Mitcham, will result in more and more people being forced to use buses, which are forced onto congested roads. That will make life a nightmare for those who use motor cars.

Most of the arterial roads in the outer suburbs have been built to their practical limits and there is little scope for eliminating minor bottle-necks or for major road widening. The traffic signal system has almost reached finality. In other words, the traffic outlets such as the Eastern Freeway should be extended. There needs to be new traffic flow along the freeway to improve access to the central business district.

The Eastern Freeway extension would improve traffic safety, reduce traffic times and improve the amenities for people along the existing arterial roads as well as in residential areas by removing traffic which is now causing environmental problems.

The ACTING SPEAKER (Mr Fogarty)—Order! If the honourable member wishes to read from his notes, I suggest that he read a little faster so that this matter can be concluded.

Mr Walsh—How come he gets all the privileges?

Mr WILLIAMS—If I had been a member of the Opposition in the old days, I would not be intimidated in this way. I appreciate your desire, Mr Acting Speaker, to round off at a reasonable hour, and I will not press the issue any further. I praise the Minister of Transport for his good intentions. However, he has a long way to go and I urge him to stand up to the transport unions because, if he does not do so, the ordinary workers of this State will pay a terrible price.

Mr WALLACE (Gippsland South)—The National Party certainly supports the Bill. It is an extensive measure and, no doubt, the Victorian transport system has suffered over the past few years due to the lack of funds. I am sure that its response to the changing transport needs has been such mainly because of the limited amount of funds available to meet transport demands. The amount of funds allocated have been disproportionate and a large proportion of funds has been allocated to meet the transport demands of the metropolitan dwellers. Funds have been allocated for many freeway extensions and road construction.

No doubt there have been expensive traffic lighting systems within the metropolitan area and that must be to the detriment of the country road and rail users. The National Party would certainly have established a transport commission, the objective of which would be to ensure that a system was developed to meet the needs of all Victorians. This Government is obviously trying to improve the situation. The previous Government closed down one of the railway lines in the electorate I represent and, to his credit, the present Minister of Transport will no doubt open this line some time this year. Unfortunately, the previous Government also allowed the rail system to deteriorate to such an extent that people were not prepared to use it and travelled on buses. It will be extremely difficult to get people back to using the rail system. The railway station at Sale, on which some $3 million is to be spent, will certainly be a great asset to the area.

The Traralgon division of the Country Roads Board has a further problem. I have no doubt that the Minister may, during the week-end, have had a look at the video-tape relating to some of the problems that the Traralgon division has had mainly because insufficient funds were allocated to the area. The reason why that division is not receiving sufficient funds is that they have been allocated to other areas. The division has a

particular problem because it is located in a wet area, and much more money is required for road improvements.

The costs are much greater than costs would be in northern Victoria. Some 75 per cent of the business franchise taxes were placed in a trust fund and used for road development by the former Government. This trust fund will be abolished by the new Government and I do not agree with that. The tax nets about $80 million, mainly from road transport, and perhaps 100 per cent of that money may be able to be diverted back into the development of road systems. There is no doubt that there will be some alterations. Many of these boards will be amalgamated—the Victorian Railways Board, the Railway Construction and Property Board, the Melbourne and Metropolitan Tramways Board, the Melbourne Underground Rail Loop Authority, the Country Roads Board, the Transport Regulation Board and so forth. They will now be part of the new system and I presume that the Minister has looked into this carefully and with great concern as to some of the things that will happen.

The National Party is concerned about the problems, and during the Committee stage it will no doubt make further comment. At this stage the National Party supports the Bill.

Mr CRABB (Minister of Transport)—I thank honourable members for their support of the Bill. I shall try to deal with the principal points raised by honourable members but in so doing I congratulate the honourable members for Narracan and Lowan, speaking on behalf of their respective parties, for the responsible and constructive comments made.

The honourable member for Narracan remarked upon the printing problem that the Government had with the Bill and I can do no more than record his protest and do what I can to ensure that similar circumstances do not recur.

The other matter raised by him concerned the alleged haste with which the Bill had been introduced. The Government has been discussing the formulation of this Bill since May of last year when it formed a consultative organization which, admittedly, did not include members of the Opposition or the National Party but did include every interested group, including municipalities, local government engineers, the various unions, private enterprise and others. That process has culminated in the Bill. The municipalities were regarded by the honourable member for Narracan and others as protesting most vehemently about the lack of consultation. Perhaps the consultation has not taken as long as it usually does but it has been intensive and the Government has given the municipalities as early notice as possible of the Bill through its various stages and it has continued discussions with them even after the introduction of the Bill into the House. I back up my words by saying that I received a letter dated 30 May from the Municipal Association of Victoria over the signature of Keith Hallam, the president of the association. It read:

Dear Mr Minister,

On behalf of the Executive of the MAV may I say how much I appreciated your enlightened approach to consultation with respect to the Transport Bill 1983.

The MAV is most grateful for your agreement to furnish copies of the Bill and provide information about it prior to its introduction into Parliament. Naturally we would have liked several months to fully consider these proposals. However we understand your desire to move quickly with the legislation.

You have set a high standard which I hope will be emulated by your colleagues when they are considering legislation which affects local government.

Honourable members can be reasonably well assured that the municipalities of Victoria, through their association, are relatively content with the procedures that have been adopted.

The honourable member for Narracan commented about much of the Bill being renewal of clauses in existing legislation and claimed that it was Liberal legislation. Many of the clauses are so old that it is probably Country Party legislation. Much comment was made by the honourable member for Narracan and others about the alleged wide powers provided for the authorities and the Minister under the Bill. In fact, the powers are no broader than they are at present and perhaps in many ways they are less broad.

The Victorian Railways traditionally have had wide powers. At one time or another in living memory the railways ran their own coal mine in Korumburra; they ran their own electricity power generating station at

Newport; they ran their own market gardens; they ran their own laundry; they ran their own bakery; and even, in the halcyon days, they ran their own chook farm to provide the eggs. I believe it was in the Dandenongs. The railways have always had wide powers; they still run a typewriter repair service for the rest of the Public Service. Although the railways no longer run their own clothing factory, the tramways still run theirs. Many and varied activities have historically been the province of the transport authorities.

The debate, to the extent that it was a debate, tended to focus on clause 38, which gives the authority power to do things incidental to its purposes and objectives. It was said on a number of occasions by honourable members that this was unique and novel. In actual fact similar legislation already exists in many cases. The Commonwealth Telecommunications Act of 1975 contains a similar clause. Section 6 (1) of the Australian National Railways Commissions Act of 1982, enacted under a Liberal Federal Government, contains the following section:

> Subject to this Act, the Commission has power to do all things necessary or convenient to be done for or in connection with, or as incidental to, the performance of its functions and, in particular, has power . . .

Section 12 (2) of the Victorian Economic Development Corporation Act of 1981, which was introduced by the former Government in this Parliament, reads:

> The Corporation shall have power to do all such things as are necessary or incidental to the carrying out of its objects . . .

The Railway Construction and Property Board Act 1979 provides the board with the power to do the things necessary or convenient to be done for or in connection with the performance of its functions. It is therefore not novel to introduce the provision in this Bill. In fact, it is commonplace to have such a clause in modern legislation.

In relation to clause 81, the honourable member for Narracan foreshadowed an amendment which can be dealt with during the Committee stage, but I indicate that the Government would be prepared to accept that amendment.

The honourable member and others were subsequently concerned about the capacity of the workshops to compete with private enterprise. They do so now, not terribly successfully but on many occasions in the past the railway workshops have done work that was not related to railways. Equally, other manufacturing organizations do work for the railways. It is entirely appropriate that the railway workshops should specialize in the things they do well and best. They should do that not only for our railways but also for other railways and not only for railways but also for other heavy engineering applications, so long as it is done without any hidden subsidies. The House has my commitment that that will not occur.

In regard to the hypothecation of road funds, the House already has the Government's assurance, both in the second-reading speech on this Bill and in the legislation that was passed last year for the abolition of trust funds, that the effect of hypothecation will continue.

Road funds will continue to be the same as they would have been had the Government not removed the hotpotch of road funds that existed prior to the Budget. The honourable member for Narracan interjects, "Is that in perpetuity?" No one can give a guarantee in perpetuity. One can only give a guarantee in relation to the length of one's vision.

In regard to the formula for distribution to municipalities, I point out that it is not a part of the proposed legislation nor is it a part of the Country Roads Act. It is an arrangement between the Country Roads Board and municipalities and it is my intention that that arrangement will continue with the Road Construction Authority just as it did with the Country Roads Board.

The honourable member for Narracan raised a matter regarding the provision that dealt with the Disciplinary Appeals Tribunal in the original draft Bill which has since been taken out. The reason for the removal of that provision was not that I had been "rolled" by the union, as the honourable member suggested, but rather that the Government discovered that railways employees are well pleased with the disciplinary measures that apply. Often fines are imposed if one is late—one may be fined $5 for doing something wrong—and this goes through the whole disciplinary process.

Not surprisingly, many other employees are not enamoured with that procedure and would prefer not to have it imposed, but rather than having the global process which was incorporated in the original Bill and planned for the transport service, it has been omitted. I give a personal guarantee that the disciplinary measures that exist now will continue under the new authorities. Those authorities that impose fines will continue to retain that process, and those with other methods will continue with them.

The honourable member for Narracan asked about the intention of the Government for ports and harbours. The position of the Government has not altered. It was the policy of the Labor Party during the election campaign and it is now its mandate that the administration of ports and harbours become part of the transport administration. Nothing has been done in this regard. No decision has been made and no consultation has been held on how it should be achieved. There will be no restructuring of the ports and harbours until appropriate consultation has been carried out and the results brought before the House.

Tram priorities were initially raised by a number of honourable members. Most of the information that has been circulated has been superseded. Last Thursday a seminar was held with 22 municipalities in whose areas trams operate and, as a result of the seminar, endorsement was received for the Government's proposals on tram priority. Indeed, the metropolitan division of the Municipal Association of Victoria carried a resolution accepting the Government's proposals, and the Government is proceeding in a consultative way to develop the various mechanisms required for tram priority on the basis of trying it out and seeing how it works. If local members are in contact with their municipalities they will be well advised.

The honourable member for Lowan raised a number of issues, some of which I have covered already, he was concerned that undertakings given by the Minister might not be endorsed by the Cabinet. I assure the honourable member that undertakings that were taken in context were undertakings given by the Government, not by me. The honourable member also had queries about quantitative targets. The idea of quantitative targets is that we should be able to draw up objectives of the authorities' specific targets to apply for each year. The targets ought to be along the lines of the number of tonnes of wheat the authority should expect to carry, how many passengers it expects to carry, how many passenger kilometres it should accommodate, what revenue ought to be attained in that year, and so on.

The targets will be reported to the House and the various authorities will report to me. They will specify whether they have achieved those targets and the reasons why they have not, if indeed they have not. The honourable member for Lowan also raised a matter concerning increased road funds for country areas. The honourable member would know that the Government is doing what it can in that area.

The Deputy Leader of the Opposition gave his usual histrionic and petulant performance. He raised a number of matters that had already been raised by his colleague, the shadow Minister of Transport. The honourable member mentioned the number of amendments to be proposed to the Bill; he knows as well as I do that the amendments were circulated to the Opposition and the National Party a few days ago. Many of the amendments are trivial and typographical, which is common with substantial Bills in this Government and previous Governments.

The Deputy Leader of the Opposition also accused me of being sensitive about the word "freeway". I am in good company because it is a fact that when the Country Roads Board built the Princes Highway East as a freeway near Berwick, my predecessor described it as the Berwick by-pass rather than the Berwick freeway. The honourable members for Gippsland East, Brighton, Westernport, Malvern, Kew, Balwyn, Doncaster and Gippsland South all raised various matters. Given the time factor, it may be more appropriate if I refer to those matters during the Committee stage.

The motion was agreed to.

The Bill was read a second time and committed.

Clause 1 (Short title)

Mr CRABB (Minister of Transport)—I move:

Clause 1, lines 5 and 6, omit sub-clause (2) and insert:

"(2) The several provisions of this Act shall come into operation or be deemed to have come into operation as follows:

(*a*) Section 246 shall be deemed to have come into operation on 5 May 1983;

(*b*) Division 7 of Part VI. shall come into operation on a day to be fixed by proclamation of the Governor in Council published in the *Government Gazette;* and

(*c*) The remaining provisions of this Act shall come into operation on 1 July 1983.".

The amendment allows the administrative processes to be established for the licensing and regulation of hire and drive omnibuses which was a recommendation of the former Road Safety Committee. The amendment is made now rather than waiting until the Bill comes into operation on 1 July 1983. It enables the facilitation of the election by former employees of the West Gate Bridge Authority, who transferred to the Country Roads Board last year by an Act of the Parliament, to elect whether to join the State Employees Retirement Benefits Fund. Section 246 will be deemed to have come into operation on 5 May 1983 and the remaining part of the clause will come into effect on 1 July 1983.

The amendment was agreed to.

Mr RAMSAY (Balwyn)—It is of some concern that honourable members have just been circulated a list of 105 amendments to the Bill. It is completely unreasonable for the Government to expect honourable members to consider these extensive amendments to an enormously complex Bill. The Committee should make available proper time for honourable members to examine the amendments. Therefore, I move:

That progress be reported.

Mr FORDHAM (Minister of Education)—The reality is that the vast majority of the amendments are of a machinery nature. I well realize that the honourable member for Balwyn is tired and irritable as he often becomes at this time of night. Why should the rest of the House have to suffer because of his problems and weaknesses? The amendments were made available to spokespersons for consideration by each of the parties some days ago.

The CHAIRMAN (Mr Wilton)—Order! It has been drawn to my attention that when a motion is made that the Chairman of the Committee do leave the Chair, the question shall be put forthwith without debate. The question is:

That progress be reported.

The Committee divided on the motion (Mr Wilton in the chair).

Ayes	27
Noes	45
Majority against the motion	18

AYES

Mr Brown	Mr Ramsay
Mr Delzoppo	Mr Reynolds
Mr Dickinson	Mr Richardson
Mr Ebery	Mr Ross-Edwards
Mr Evans (*Gippsland East*)	Mr Saltmarsh
	Mrs Sibree
Mr Hann	Mr Steggall
Mr Kennett	Mr Templeton
Mr Leigh	Mr Wallace
Mr Lieberman	Mr Whiting
Mr McGrath	Mr Williams
Mr McKellar	
Mr McNamara	*Tellers:*
Mr Maclellan	Mr Burgin
Mrs Patrick	Mr Jasper

NOES

Mr Cain	Mr Newton
Miss Callister	Mr Norris
Mr Cathie	Mr Pope
Dr Coghill	Mrs Ray
Mr Crabb	Mr Remington
Mr Culpin	Mr Roper
Mr Ernst	Mr Rowe
Mr Fogarty	Mr Seitz
Mr Fordham	Mrs Setches
Mr Gavin	Mr Sheehan (*Ivanhoe*)
Mr Gray	
Mr Harrowfield	Mr Shell
Mr Hassett	Mr Sidiropoulos
Mrs Hill	Mr Simmonds
Mr Hill	Mr Simpson
Mr Hockley	Mr Spyker
Mr Ihlein	Mr Stirling
Mr Jolly	Mrs Toner
Mr Kennedy	Mr Walsh
Mr Kirkwood	Mr Wilkes
Mr McDonald	*Tellers:*
Mr Mathews	Mr McCutcheon
Mr Micallef	Mr Sheehan (*Ballarat South*)
Mr Miller	

The sitting was suspended at 12.1 *a.m.* (*Wednesday*) *until* 12.34 *a.m.*

The clause, as amended, was agreed to.

Clause 2 (Interpretation)

Mr CRABB (Minister of Transport)—I move:

Clause 2, page 5, after line 31 insert:

'"Municipality" includes the city of Melbourne and the city of Geelong.'

This is merely a clarification to ensure that "Municipality" includes the two cities of Melbourne and Geelong.

The amendment was agreed to, and the clause, as amended, was adopted, as was clause 3.

Clause 4 (Object and functions of the Ministry of Transport)

Mr DELZOPPO (Narracan)—I would like an explanation from the Minister on clause 4 (2) (*f*), which states:

To develop, implement and monitor corporate financial management control techniques;

I do not know what that means, so I would like an explanation.

Mr CRABB (Minister of Transport)—Fundamentally it refers to issues such as programme budgeting. That is possibly the best example. It places a responsibility on the Ministry to ensure that the authorities organize their affairs in a modern way in regard to financial management.

The project in hand at the moment is the establishment of programme budgeting which will replace the year-by-year budgeting that exists at present, something to be devoutly wished for by honourable members and analogous to the rolling programmes of the Country Roads Board.

The clause was agreed to, as were clauses 5 to 7.

Clause 8 (The Victorian Transport Directorate)

Mr DELZOPPO (Narracan)—Clause 8 states that the Minister shall appoint a Victorian Transport Directorate which shall consist of a number of people and includes, under clause 8 (1) (*f*) "such other persons as the Minister may appoint." Do I take it from that that the number of people on the Victorian Transport Directorate is not fixed?

Mr CRABB (Minister of Transport)—At present the Victorian Transport Directorate, or the informal body that is fulfilling that function, is rather large in number because it includes the chief executives of the existing authorities. It is intended to include those personnel referred to in clause 8 (1) (*a*) to (*e*). However, the Government is leaving room for future contingencies.

The clause was agreed to.

Clause 9 (Advice to be given by the Directorate)

Mr DELZOPPO (Narracan)—Clause 9 states:

Where the Victorian Transport Directorate is so requested by the Minister it shall provide advice on any of the following matters:

The matters are then listed. My experience has been that if the Minister does not request advice of the Victorian Transport Directorate, the directorate could be wasting its time. Would the Minister be willing between here and the other place to take out the word "request" and reconstruct the clause so that the Victorian Transport Directorate can proffer advice to the Minister whether he requests it or not?

Mr CRABB (Minister of Transport)—The structure of the Victorian Transport Directorate emanates from a report prepared by the Public Service Board which did its work prior to the last election. It was then refined to some extent by the consultative process that was carried on afterwards. It was desired not to establish a separate statutory corporation, as it were, but rather that the directorate's powers would be similar to those powers of the Minister. In that context it is more appropriate that it should be worded in its present form.

The intention is that the Victorian Transport Directorate will meet at regular intervals. It now meets once a month. Consequently, it is a monitoring body. It is not an advisory body in the sense of having some consultative mechanism. It is the corporate control body. Rather than having powers of its own, the powers flow through the Minister.

The clause was agreed to, as was clause 10.

Clause 11 (Establishment of the Victoria Transport Borrowing Agency)

Mr DELZOPPO (Narracan)—Subclause (6) refers to Schedule 1 and I seek your guidance, Mr Chairman, whether, in

agreeing to the clause now, the Opposition will be given adequate time for debate on the schedule and that by agreeing to the clause, debate will not be prevented later on Schedule 1. This situation occurs in several clauses of the Bill that refer to schedules.

The CHAIRMAN (Mr Wilton)—Order! The honourable member will have the opportunity of addressing the Committee on the schedules.

Mr McGRATH (Lowan)—I seek the Minister's comments on the function of the agency to borrow money for transport purposes in Victoria, to lend money borrowed by the agency as principal to the authorities on such terms and conditions as the agency determines from time to time, to assist the authorities in the planning and management of their borrowing including the management of inscribed stock and bond registers, and so on. One point raised by the Municipal Association of Victoria was to seek an assurance that under no circumstances, in the establishment of the agency, would councils have any direct or implied obligation to place money with the new borrowing authority.

Mr CRABB (Minister of Transport)—There is nothing in this clause or, indeed, in the agency, that requires anyone to invest money, far less municipalities. That has not crossed my mind, nor has it crossed anyone else's mind. It is not a consideration. It is merely a way of co-ordinating the borrowing of authorities which already have borrowing practices and makes securities more marketable than they are now.

The clause was agreed to, as was clause 12.

Clause 13 (State Transport Authority)

Mr CRABB (Minister of Transport)—I move:

Clause 13, line 18, omit "eight" and insert "nine".

The intent is to add one position to the proposed board. I foreshadow a further amendment that will allow the appointment of the extra person by the Governor in Council under the same category as other persons. It is the intention of the Government that the person should be a representative of grain growers.

The rationale is obvious. The major freight task of the State Transport Authority will be the carriage of grain and it is appropriate that a grain grower representative should be on the board of the authority. It was the original intention that this would be the case. It is appropriate that there should be nine members of the authority as there are of the other authorities.

Mr McGRATH (Lowan)—I am pleased with the remarks of the Minister of Transport on the intention of the Government to appoint a grain grower representative when increasing the number of members of the authority from eight to nine. The Minister's amendment makes it unnecessary for me to move proposed amendment No. 1 in my name.

The amendment was agreed to.

Mr McGRATH (Lowan)—I move:

Clause 13, line 29, omit "and".

The amendment relates to a foreshadowed amendment to insert a provision for a person representing the Victorian Farmers and Graziers Association. It is necessary for the Committee to agree to this amendment for the foreshadowed amendment to be effected. The Minister, in increasing the size of the authority from eight to nine, has stated that it is his intention that the extra appointee will be a representative of the grain growing industry.

However, I will insist that the foreshadowed amendment be written into the measure because, while I have no doubts of the integrity of the Minister of Transport at present and the undertaking he has given, the provision should be written into the measure to cover any contingencies that may arise under a different Minister of Transport.

As the Minister explained, grain freighting is very good business for the railways. It is an operation where VicRail has to supply only the locomotives and grain wagons at the Grain Elevators Board installation and move it either to another installation at a country terminal or to a seaboard terminal.

The provision in the measure for the appointment of a person representing the Victorian Farmers and Graziers Association, will ensure that this representative will be involved in any consideration that may be given to either increasing or decreasing freight rates in the future and other discussions for improved grain handling and rolling stock. The association has research

assistants who will assist this appointee in putting forward positive comments as a member of the authority.

That is my concern and I strongly emphasize that point. In foreshadowing the further sub-sections, the Minister gave an undertaking, but if the honourable gentleman is no longer the Minister in the future, because it is not written into the legislation, the undertaking may not be honoured.

Mr DELZOPPO (Narracan)—The Opposition supports the amendment moved by the honourable member for Lowan. It was indicated during the debate that graingrowers would be represented by the Victorian Farmers and Graziers Association. Graingrowers provide 40 per cent of the freight currently carried by VicRail. The next largest carrier of freight provides only 6 per cent, and the Opposition believes it is appropriate that representation is given to the graingrowers so they can have their say on the State Transport Authority.

Mr CRABB (Minister of Transport)—The question is not one of whether there will be a representative of the graingrowers, but rather concerns the mechanism by which he gets there. I have preferred to leave it out of the proposed legislation on the basis of an undertaking from the Government that one of the other persons would be someone representing the Victorian Farmers and Graziers Association was so that the floodgates were not opened. Many organizations believe, with some degree of passion, that they would like to be represented on the authority. If the Government acceded to these demands, conferences would take place.

Because of the unique interest that farmers and graziers have in the State Transport Authority's operation, I am prepared to accept the amendment.

Mr McGRATH (Lowan)—I thank the Minister for agreeing to the amendment. As the honourable member for Narracan stated, 40 per cent of VicRail's business is generated through the cartage of grain and fertilizer. The Minister indicated that the floodgates could be opened. I note that in clause 13 (2) (*b*) (vi), a person having knowledge and experience in the tourist industry will be a member of the State Transport Authority. A member of the Victorian Farmers and Graziers Association would probably have more to offer the authority than someone from the tourist industry.

The amendment was agreed to.

Mr McGRATH (Lowan)—I move:

Clause 13, after line 29, insert:

"(vii) A person rerpresenting the Victorian Farmers and Graziers Association; and".

The amendment was agreed to.

Mr DELZOPPO (Narracan)—On the question of clause 13, as amended, I have a copy of a letter sent to the Minister of Transport from the Train Travellers Association. Amongst other things, the letter states:

1.1: In the composition of both the STA and the MTA, under Clauses 13 and 15, provision is made in item (iv) for—

"a person having knowledge of and experience in the use of (country) public transport (passenger) facilities". This wording is vague and ambiguous and could well refer to an employee of the Authority.

1.2: In all the deliberations of the various Task Forces, it was recommended that Users be represented on these Authorities.

1.3: In its 1982 pre-election brochure on public transport titled "TRAIN TRAVELLERS", the ALP promised and I quote: "A Cain Government will give transport users a direct say in how services are run. As well as including traveller representatives on the new Authority, advisory committees of transport users will be formed . . ."

Clauses 13 and 15 do not provide for a clearly identified User representative.

I ask the Minister whether he will honour the pre-election promise enunciated in the Australian Labor Party document, *Train Travellers,* printed and circulated by the Victorian Labor Party.

Mr CRABB (Minister of Transport)—A person would have to be suffering from a peculiar type of paranoia to think that a person having knowledge and experience of public transport would be a person other than a user of public transport. In regard to the State Transport Authority, that person would be a user of country transport, and as to the Metropolitan Transit Authority, a person would be a user of the metropolitan public transport system.

The clause, as amended, was agreed to.

Clause 14 (Objects and functions of the State Transport Authority)

Mr CRABB (Minister of Transport)—I move:

5. Clause 14, page 13, line 34, omit "services" and insert "services; and".

6. Clause 14, page 13, after line 34 insert:

"(*w*) to encourage and facilitate cycling as an access mode for public transport.".

The purpose of these amendments is to add an object to the State Transport Authority. That object is to encourage and facilitate cycling as a mode of public transport. Mr Parker, who has, no doubt, contacted several honourable members, will be marginally happier than he was. The provisions are included in the paragraphs regarding the Metropolitan Transit Authority.

The amendments were agreed to.

Mr McGRATH (Lowan)—Clause 14 (3) (*c*) refers to the State Transport Authority's function of operating as employing authority for all officers engaged in the provision of rail and railway ancillary services in Victoria. I noted a similar sub-section regarding the Metropolitan Transit Authority.

Will the Minister outline to the Committee what would happen in relation to an industrial dispute involving workers of the Metropolitan Transit Authority on the railways? An industrial dispute could bring about strike action related to the Metropolitan Transit Authority, and it could automatically spread to the State Transport Authority. If it occurred at a critical time of the year, such as harvest time, the effects of that strike on the grain industry would be immense. Even though the strike may not be directly associated with the State Transport Authority, it could come through. Could the Minister advise whether there is any way of overcoming the situation that could arise in those circumstances?

Mr CRABB (Minister of Transport)—The organization being established is such that there will be a freestanding metropolitan rail division within the State Transport Authority. The intent of maintaining that authority as the employing body of railway and associated employees is to maintain the fairly intricate career structure that at present exists in railway employment—that is, the transfer of drivers from country trains to metropolitan trains and the transfer of metropolitan staff to country trains.

The aim is to preserve the traditional career path. It will make no difference to industrial relations. It is to be hoped that in the foreseeable future there will be no strikes during any of the grain seasons.

Mr DELZOPPO (Narracan)—Clause 14 (4) (*h*) states that the State Transport Authority shall have as one of its objects:

To manage and operate freight services at a profit so as to phase out freight subsidies and to provide funds for capital works.

The Opposition welcomes that aim. It is to be hoped that sufficient capital will be generated and that the Government does not have to lease trains and trams to provide capital funds. Clause 14 (4) (*i*) states that another object of the State Transport Authority shall be to establish, manage and operate without cross subsidization. That matter was raised during the second-reading debate. The Opposition should like the Minister to explain what is meant by the words, "without cross subsidization".

It is important that the Minister provide an explanation on the meaning of those words because they revolve around the Workshops Management Board undertaking outside work. Private enterprise should be protected at all costs.

Mr BURGIN (Polwarth)—When reading through clause 14, I wonder why the freight sector appears to be the only group that is expected to operate at a profit. Subsidies are applied to the entire transport system, yet it appears that the freight sector has been singled out as the one sector that will be expected to operate on a profitable basis.

If that is so, it will mean the end of most country freight centres. It will mean that one can forget about freight centres throughout country areas.

Mr CRABB (Minister of Transport)—The management of freight centres without subsidization is a fundamental plank of the transport policy of the Labor Party on which it was elected. As the honourable member for Polwarth indicated, the subsidies that presently exist are related not only to the passenger section of the railways but also to all areas of freight transport.

It is the view of the Government that, if subsidies are to be provided to specific geographic areas or in respect of particular commodities, those ought to be explicit subsidies. That is, they ought to be subsidies that can be seen rather than subsidies that are achieved by a lack of cost collection by either one arm of Government or another.

It is not likely that this objective can be achieved in the short term, nor would one expect it to be. If the railways are to be run effectively without a subsidy, it will be equally necessary for the roads to operate without a subsidy. If that goal can be achieved, whoever moves the freight ought to decide on the best mode of transport.

Subsidies on freight ought not be instutionalized according to the mode of transport. It is entirely appropriate to subsidize passenger transport services. That is accepted throughout the world. It is not accepted anywhere in the world that freight ought to be subsidized. The long-term objective of the Government is to achieve a balanced position. The clause does not represent an attempt by the Government to phase out country freight centres.

Mr B. J. Evans—That is what will happen.

Mr CRABB—That is not what will happen. One should not be pessimistic about these issues. There are many areas of freight transport that the railways can tackle most efficiently and effectively. It is not an argument between country services and metropolitan services. A distinction is being made between freight and passenger services.

It is accepted by the Government, and indeed by all other Governments, that passenger services ought to be subsidized wherever they occur. Indeed, in the near future, the honourable member for Gippsland East will note some improvement in the passenger services in the area that he represents.

The Committee should welcome the phasing out of freight subsidies. The statement of that objective does not imply specific types of freight services. If the honourable member for Gippsland East is of the opinion that the far-flung regions of the State should receive subsidized freight, so be it. However, the railways should not be run at half price to subsidize those far-flung regions. Clear subsidies should be provided.

The honourable member for Narracan asked me to explain the meaning of the words, "without cross subsidization" in regard to the operation of the Workshops Management Board. It is the objective of the Government that that board carry out work both for the country rail operations of the State Transport Authority and the Metropolitan Transit Authority and that it perform some heavy engineering work on a competitive basis for perhaps other railways. Each of those tasks will be performed without subsidizing each other.

Mr BURGIN (Polwarth)—I have been interested to hear the explanation by the Minister of Transport. I remember debates in the Chamber when the Minister was the shadow Minister of Transport and the former Government was endeavouring to do something about freight costs on country rail lines. I remember the words of the shadow Minister very well at that time: He claimed that it was completely the wrong thing to be doing.

Now it appears the Government is giving fair warning that, in the near future, given time to bring the pattern into play, the freight system will pay its own way. That will surely put many freight lines out of operation because those freight lines have never paid their way and they will not pay their way in the foreseeable future. However, those freight lines provide a much-needed service for certain kinds of freight in the country.

There will be many problems of freight cartage for country areas. The Government is seeking to apply one standard of subsidization for rail passenger service and another standard of freight paying its own way. The railways do have a social service to perform in some country areas. It is wrong for the Government to decide that freight lines should pay their way while other forms of cartage should be subsidized.

Mr B. J. EVANS (Gippsland East)—The National Party expresses its strong opposition to this proposition. It highlights the fact that the present Labor Government has no interest whatsoever in people who live outside the metropolitan area. Rail services that operate in the country are paid for both ways by people who live in the country.

This provision will have no effect on people who live in the city.

If a country person consigns freight to the metropolitan area, that person pays the freight. If a country person pays for something to be sent by rail from the city, that person pays the freight. It is country people who will be hit by this provision.

The National Party cannot see any logical reason why country freight services should be expected to operate at a profit although the same expectation is not applied to metropolitan passenger services.

It is clear and blatant discrimination. Later we will debate an equal opportunity or anti-discrimination Bill. I suggest that if this legislation is not discriminatory against people in rural areas, I do not know what honourable members have to see to demonstrate this form of discrimination. The fact is that the people in the metropolitan area and the development of the metropolitan area are being heavily subsidized by people in rural areas. Country people have had it rammed down their throats for years that people living in country areas are being subsidized. That is completely unjustified by the facts of the situation.

If one examined the funds available to the State Government and how they are expended in this State, one would see that the city is subsidized by millions and millions of dollars every year at the expense of the people who live in the country. It is high time that the Government understood that we are all citizens of this State and that we are all entitled to equal treatment under the law. This measure is a blatant illustration that the Labor Government does not give two hoots for the people who live outside the metropolitan area.

Mr DELZOPPO (Narracan)—Speaking on clause 14, as amended, I point out that the Committee has already agreed to the insertion of sub-clause 4 (*w*) which states:

> To encourage and facilitate cycling as an access mode for public transport.

The Opposition welcomes that move by the Minister. During the debate tonight, the Minister quite coyly read out a letter pointing out in glowing terms how he is appreciated by certain sections of the community with regard to clause 14, as amended, and in particular to the new sub-clause 4 (*w*) on bicycles. I should like to put on record a letter I received from the Bicycle Institute of Victoria, which states:

> Many thanks for your letter acknowledging our proposal.
>
> We have a problem with Mr Crabb trying to wreck all the good work done by Mr Maclellan and Brian Dixon for cyclists.
>
> When Crabb creates his super transport departments, the State Bicycle Committee will be stuffed into a corner of the RTA.
>
> When Mr Maclellan gave us a neutral and independent Chairman for the State Bicycle Committee it was easy to get things done and now Crabb wants to downgrade the status of the committee. The work of the State Bicycle Committee, particularly the Geelong and Melbourne Bike plans has earned high praise internationally for Victorian bicycle planning and the committee needs to be able to continue reporting directly to a Minister to keep up the good work. What we want is set out on page 30 (see diagram) and we would like you to ensure that what needs to be done is done before any new transport legislation goes through.

The Minister ought to consider those words and perhaps do something about it while the Bill is between here and another place.

Mr CRABB (Minister of Transport)—I am pleased to hear that Mr Parker has transferred to the Liberal Party and he can have that without a transfer fee.

The clause, as amended, was agreed to.

Clause 15 (Metropolitan Transit Authority)

Mr DELZOPPO (Narracan)—Sub-clause (2) (*b*) (v) states:

> A person having knowledge of and experience in the operation of private buses.

It has been suggested to me by bus operators that that wording should be altered to:

> Having knowledge and experience and currently engaged in the operation of private buses.

I ask the Minister to take that suggestion into consideration.

Mr CRABB (Minister of Transport)—It is certainly the intention that the person will be currently engaged in the operation of private buses. That will cover situations where someone who was appointed for a two-year term pikes out after eighteen months; and would not want to shift until the end of the term of appointment. The provision allows that flexibility. The clause

intends that it will be someone who is currently engaged in the operation of private buses. There would hardly be any point in having it otherwise. I give an undertaking that the person appointed will be a person currently employed in the use of buses.

The clause was agreed to.

Clause 16 (Objects and functions of the Metropolitan Transit Authority)

Mr DELZOPPO (Narracan)—Clause 16 (3) (*c*) states:

> To improve transit journey times by promoting and implementing schemes and allocating traffic priority to on-street public transport services.

I noted the words of the Minister in his second-reading speech and I understand that, although he has a mind to implement a scheme whereby trams are given priority over buses and cars, this will be reviewed and, should there be any shortcomings with such a scheme, it would be changed and that local government would have some sort of say in the innovation.

Mr McGRATH (Lowan)—Clause 16 (2) (*e*) states that one of the functions of the Metropolitan Transit Authority is to develop new modes of transport. Clause 15 also dealt with the transit authority. I ask the Minister what he has in mind with regard to the development of new modes of transport. I should like to know whether consideration has been given to securing a trucking line or some other form of transport to replace some trains for country freighting, and what is the relationship between what the Minister has in mind and the provision in the Bill dealing with the development of new modes of transport.

Mr RAMSAY (Balwyn)—Clause 16 deals with the objects and functions of the Metropolitan Transit Authority in the same way as clauses 18 and 20 deal with the functions and objects of two other authorities. It raises the question of the relationship between these authorities and local government. In the second-reading debate, the Minister gave an assurance to the House that the powers, duties and responsibilities of local government in relation to traffic management will be preserved. He also made an assertion that the proposed legislation carries forward these powers under the Act. I know that part of local government is concerned about the spelling out of the functions and objects of these various authorities. The object stated in sub-clause (3) (*c*) is:

> To improve transit journey times by promoting and implementing schemes allocating traffic priority to on-street public transport services.

The question being asked by local government is: If one of the responsibilities of the Metropolitan Transit Authority is to implement schemes, where does local government fit into this area of traffic control? The Minister has said that the powers, duties and responsibilities of local government in traffic management are being preserved, and yet in this clause, provision is made for implementing a scheme allocating traffic priority to on-street public transport services. That would seem to be impinging on the traditional responsibilities of local government in traffic management.

The Minister should spell out to the Committee clearly how the relationship between this authority and local Government will function in practice.

Mr CRABB (Minister of Transport)—The reference to new modes does not refer to trucks. The authorities already have trucks. "New modes" really refers initially to light rail vehicles, between a tram and a train, which are new in context. It also leaves the way open for the potential of other developments.

Mr Ross-Edwards—Hovercraft?

Mr CRABB—There are such things as linear induction motors which now operate in Canada and which consist of an anti-magnetic device that whips the vehicle along without any wheels. New modes of transport are being developed all the time, particularly for relatively short journeys. This is merely an indication that the Metropolitan Transit Authority should be up to date with the latest developments around the world.

In regard to the issues raised by the other two honourable members about public transport priority, there is an element of public transport priority now. The Road Traffic Regulations require motorists to give way to a tram at an intersection when turning right. The fact that not many people pay attention to this regulation does not alter the fact that it exists. The capacity to enforce this requirement is already enshrined in the

law. The undertaking I have given to municipalities is that the public transport priority measures being worked on in conjunction with those municipalities will not be implemented without their agreement. That is proceeding satisfactorily with regard to the North Balwyn route and is progressively being applied to other routes.

The clause was agreed to.

Clause 17 (Road Construction Authority)

Mr CRABB (Minister of Transport)—I move:

Clause 17, page 16, lines 13 and 14, omit all words and expressions on these lines and insert:

"(vii) a councillor of a municipality; and".

The purpose of this amendment is to change one of the members of the authority. Instead of that member being a person with knowledge and experience in local government, the requirement will be that that person is a councillor of a municipality. This amendment has been drawn up in response to representations from the Municipal Association of Victoria and is acceptable to the association and local councils.

Mr McGRATH (Lowan)—The National Party welcomes the amendment that has been outlined by the Minister to tighten up sub-section 5. The municipalities in the area that I represent and in most country areas are concerned that they should have representation especially on the Road Construction Authority. They are pleased that the Minister has tightened up the wording of clause 17 (2) (v).

Mr DELZOPPO (Narracan)—As a councillor and executive member of the Municipal Association of Victoria, I also thank the Minister for having the foresight to include this amendment. I am sure it will go a long way in cementing the relationships between the Minister and local government.

The amendment was agreed to, and the clause, as amended, was adopted.

Clause 18 (Objects and functions of the Road Construction Authority)

Mr CRABB (Minister of Transport)—I move:

Clause 18, lines 19 and 20, omit all words and expressions on these lines and insert:

"(*a*) to maintain, upgrade, vary and extend the State's declared road network;".

Again, this amendment was arrived at after representations from municipalities. It deletes the provision item 18 (1) (*a*) which referred to the State's principal road network, and inserts instead a reference to the State's declared road network to make quite clear what the Government's intention is. The intention has not varied but the expression of that intention has, to keep the municipalities in agreement with the Government.

The other amendment is the insertion of the word "vary". It was felt on local advice that "extend" was not quite the same thing as "vary". Both "vary" and "extend" are now included.

Mr DELZOPPO (Narracan)—The Opposition supports the amendment.

The amendment was agreed to.

Mr DELZOPPO (Narracan)—Clause 18 (1) (*c*) reads:

Subject to agreement with the Road Traffic Authority to purchase, design, construct, erect, install, maintain and operate traffic signals and other traffic facilities for the purposes of traffic management and control.

The Opposition has some difficulty in understanding what is meant by "other traffic facilities". The Committee is discussing a Road Traffic Authority whose role and function have been spelt out by the Bill, mainly to design better systems and signalling systems to regulate traffic safety measures. The Opposition believes this provision could lead to confusion and tension between the Road Traffic Authority and the Road Construction Authority. In the past tensions have existed between the Country Roads Board and the Road Safety and Traffic Authority and there has been some overlap of their roles that have not been clear. At one stage the Minister of the day had to adjudicate between the two authorities as to which carried out what function. I therefore ask the Minister, firstly, what is the meaning of the words "and other traffic facilities" and, secondly, whether he can assure the House that this clause could not lead to any tension and confusion between the roles of the Road Traffic Authority and the Road Construction Authority.

Mr RAMSAY (Balwyn)—Further to what has been said by the honourable member for Narracan, I point out the difficult

question for local government to understand just where its responsibilities start and finish. The Government is introducing the proposal that the Road Construction Authority will carry out these functions, subject to agreement with the Road Traffic Authority. Many of the functions have been carried out by local government in the past. I understand that local government is expecting to be involved in many of these areas in the future and I believe the absence of a clear provision in the Bill that these functions of the Road Construction Authority would be carried out with the consent of the relevant municipal council is a shortcoming. It would be helpful to the Committee if the Minister would give a brief explanation of how this provision will function and assure members of municipalities who have expressed an interest in this problem that their participation in these areas will be safeguarded.

Mr CRABB (Minister of Transport)—There may be some confusion in the minds of honourable members regarding representations by municipalities. This same term appears in clause 20 (1) (*a*) and I shall be moving an amendment to delete it, following discussions with municipalities. They have informed me that this amendment will alleviate their concern. In regard to clause 20, it is the intention that the Road Construction Authority will carry out these works only on the declared road network for which it is responsible, which is the present circumstance.

It is also intended that that should be within the traffic management work; it should be carried out in the context of a traffic management strategy. We have already started to establish traffic management strategies, which are developed by the Road Traffic Authority in conjunction with municipalities, the municipalities carrying out works on their roads and the Road Construction Authority carrying out the appropriate works on its roads. Everyone is confident that what has been established will work well and will not be detrimental to the municipalities.

If it is required of me to give that undertaking, I give it.

Mr DELZOPPO (Narracan)—I thank the Minister for his undertaking, but I am still concerned at what could be seen as the overlapping role between the Road Construction Authority and the Road Traffic Authority.

Can I ask the Minister to take some advice from his officers, between here and the other place, with the thought that by removing the words "and other traffic facilities", a clearer definition of the role of the two authorities in question will be given?

Mr CRABB (Minister of Transport)—Again, the advice from my officers is that the position is getting mixed up with clause 20. The honourable member is looking at the function of the Road Construction Authority to do these things, that is, to construct other traffic facilities.

The amendment is to take out of the Road Traffic Authority the function to construct other traffic facilities. It is a function of the Road Construction Authority and not of the Road Traffic Authority. We have addressed this with municipalities at some length and, if it is left in this clause and taken out of clause 20, it is crystal clear to one and all.

Mr RAMSAY (Balwyn)—The Minister's explanation on that point is satisfactory, but the clause seems to be deficient when one looks at paragraphs (*a*) (*b*) and (*c*). It is clear under clause 18 (*a*) that the Road Construction Authority is concerned in its own right with the State's declared road network. Clause 18 (*b*) gives the qualification of "other roads". The construction could be done in conjunction with municipalities, but the words "in conjunction with municipalities" does not occur in clause 18 (*c*) and the clause is deficient in this regard.

I do not want to have a long argument with the Minister, but I suggest that he look at the matter between here and another place to make sure that he would not be wise to make it clear by adding some words in clause 18 (*c*) indicating the involvement of the local municipalities with those particular functions.

The clause, as amended, was agreed to.

Clause 19 (Road Traffic Authority)

Mr CRABB (Minister of Transport)—I move:

Clause 19, line 43, omit "constituted".

Clause 19, page 18, lines 12 and 13, omit all words and expressions on these lines and insert:

"(vii) a councillor of a municipality;".

The omission of the word "constituted" is merely to bring the wording into line with that used for the other three authorities and has no great meaning.

The insertion of the words "a councillor of a municipality", is analogous to the amendment moved a moment ago in regard to the Road Construction Authority, and again, after discussions with municipalities, and the Municipal Association of Victoria.

The amendments were agreed to.

Mr DELZOPPO (Narracan)—This is similar to an amendment moved previously, where I asked the Minister to take into consideration adding after the words "experience in" the words "and currently engaged in the operation of road transport vehicles". I believe the Minister agreed to this previously, and he should be consistent and agree to this amendment as well.

Mr CRABB (Minister of Transport)—I did not in the last instance agree to amend the clause. I agreed to give an undertaking that the person who will be appointed will be someone who is currently involved in road transport.

The clause, as amended, was agreed to.

Clause 20 (Objects and functions of the Road Traffic Authority)

Mr CRABB (Minister of Transport)—I move:

Clause 20, line 31, omit "and other traffic facilities".

This amendment has been prepared in response to fairly lengthy discussions with the Municipal Association of Victoria and with individual councils. It is intended that this revised wording should make it clear beyond doubt, as I indicated in my second-reading notes, that the Road Traffic Authority will not be conducting its own construction and maintenance programme other than for traffic signals. This is entirely acceptable to the Municipal Association of Victoria and the municipalities who were earlier concerned. It is also acceptable to the Road Construction Authority and the Road Traffic Authority, and we are confident that this will obviate the demarcation disputes, which may have come out of anything else, as was indicated by the honourable member for Narracan.

The amendment was agreed to.

Mr RAMSAY (Balwyn)—I raise again the relationship in this case between the Road Traffic Authority and local municipalities. The Minister is aware of the concern that has been expressed by councils regarding provisions of the Bill such as the functions and objects of the Road Traffic Authority. These councils believe they are being overridden. I understand that the Minister believes this has arisen from a misunderstanding by the local councils of the existing laws relating to traffic management where, in practice, under the present law, the Country Roads Board, under the Country Roads Act, has precedence over local government in most areas; but my belief is that if a misunderstanding has occurred because of a misunderstanding of the present law, that is no reason not to spell it out clearly in this Bill which is designed to consolidate and improve the total transport scene in Victoria. If it is the Minister's intention that local councils will continue to have a major role in the area of traffic management, why does he not spell that out when he lists the objects of these different authorities? The Bill is noteworthy for the extent it has spelt out the functions and objects of the different authorities, and it has gone to extraordinary lengths to take up every possible function.

That is the general impression one gets, but it is silent about the role of local government. Although I am happy with the Minister's assurance that local government will continue to have a major role, I suggest to the Minister that it would be far better for future government in this State if that assurance were enacted in the context of this clause that deals with the object and functions of the particular authorities.

Mr BURGIN (Polwarth)—In examining the functions of the Road Traffic Authority, it puzzles me that clause 20 (*h*) is included by which the authority will have power to compete for work on the open market. I ask the Government what it has in mind for the authority to compete on the open market. I cannot envisage what it would enter into in competing on the open market.

Mr CRABB (Minister of Transport)—In regard to the matters raised by the honourable member for Balwyn, it is not proper, nor appropriate, for this Bill to define the powers and duties of local government. Those definitions are contained in the Local

Government Act, where they ought to stay. There is nothing in the Bill that in any way detracts from the power that exists for municipalities and nothing in the Bill that in any way diminishes the power of municipalities. We have discussed the matter at some length with municipalities, consultants and so on and if Opposition members have anything to say about the degree of acceptance of the provision by municipalities, I suggest they discuss it with the municipalities themselves. I am confident that the Bill meets their requirements.

Mr Delzoppo—We want an assurance.

Mr CRABB—There has been a culmination of amendments, assurances and explanations and the combination must be considered. The honourable member for Balwyn should not be the one to complain.

The honourable member for Polwarth asked what work the Road Traffic Authority would be liable to compete for on the open market. I must admit that it stretches one's creativity just a little. However, a number of overseas traffic authorities after having developed computer techniques, especially software for signal marketing, have marketed those systems themselves. I recall one at Coventry in England which, by pioneering the development, has sold programmes to other similar cities. It is only part of its operations, but there may be some potential in that situation.

Mr DELZOPPO (Narracan)—Clause 20 (3) (*h*) states:

> (*h*) To achieve an efficient and dynamic organization by implementing appropriate technological and other changes through a process of consultation beginning at the contemplative stage.

I am intrigued by the words "contemplative stage".

I do not want to belabour the point, but I wonder how early in any stage of a development is it envisaged that this is able to be brought forward. I would like the Minister to explain what he has in mind.

Mr CRABB (Minister of Transport)—Considerable time was spent by the task forces that were established last year in arriving at consultancy procedures. It was considered to be extremely important that consultation start at the earliest possible stage. There is no point in the management of an organization deciding what they will do and then having consultation on the matter. They should consult their employees, customers or recipients of services throughout the process of change or development of new ideas. It is intended that all consultation should start at the earliest possible time where major changes are anticipated.

Mr DELZOPPO (Narracan)—Clause 20 (3) (*i*) states:

> To maintain an effective decentralized organization and to delegate decision making to appropriate levels in the Authority.

The Committee will be well aware that the previous authority, the Transport Regulation Board, maintained a decentralized operation in this State. The State was divided into various regions. I ask the Minister whether it is the intention of the Government and the new authority—The Road Traffic Authority—that this decentralization will continue and the old regions of the Transport Regulation Board, as we know it, will continue, so that there will be an effective local presence of the Road Traffic Authority in all areas of Victoria.

Mr CRABB (Minister of Transport)—The decentralized process will continue and will be speeded up and even enhanced. The regions will not be the same as at present. The regions of the Road Construction Authority will be somewhat similar to the divisions of the Country Roads Board, but they will be a little larger. However, it was considered by the groups advising me that the Road Traffic Authority and Road Construction Authority should have the same regions so that there can be interaction between the boards of the two authorities. No final decision has been made on the boundaries of those regions. However, there was extensive discussion by the consultative task force last year on what they should be and a degree of consensus was arrived at on the boundaries most appropriate.

I indicated to the House that those consultancy groups represent all of the various interest groups, including management and workers, and the organizations together with municipalities, trucking organizations and all the others involved. If honourable members are interested in this point, I will forward them a copy of the recommendations of the task force.

The clause, as amended, was agreed to, as were clauses 21 to 26.

Clause 27 (Incorporation of Authorities and Agency)

Mr DELZOPPO (Narracan)—Earlier in the debate, I mentioned the threat that was posed to private enterprise by some of the sections of the Bill. I direct the Committee's attention to clause 27 (*b*) (ii) which states:

> Purchasing, taking, holding, selling, leasing, taking on lease, exchanging or disposing of real or personal property for the purposes of this Act; and

I direct the Committee's attention to the wide powers given in this measure.

Mr CRABB (Minister of Transport)—It is a standard clause which points out that a legal authority is a body corporate, and so forth.

The clause was agreed to, as were clauses 28 to 30.

Clause 31 (Power of Minister to give directions)

Mr DELZOPPO (Narracan)—Clause 31 (2) states:

> Where an Authority or the Agency has been given a direction by the Minister it may cause that direction to be published in the *Government Gazette*.

Why does the clause state "may" and not "shall"?

Mr CRABB (Minister of Transport)—The simple answer to that question is that Ministers are forever giving directions of all sorts to authorities and agencies under their responsibility as, indeed, they should. This is a measure of control on the authority. If the authority feels the necessity to publish the fact that the Minister is giving it direction to do something, presumably it would not otherwise be able to do so. If that is the case, it is not a bad discipline on a Minister.

The clause was agreed to.

Clause 32 (Delegation)

Mr CRABB (Minister of Transport)—I move:

> Clause 32, line 14, after "Act" insert "or any other Act".

In essence, the amendment ensures that the managing director delegates to the officer of an authority the power or duty of the authority under this Act or any other Act. The only other Acts which may come into consideration are the Motor Car Act, the Motor Boating Act and the Chattel Securities Act, all of which confer powers, duties and functions on the Road Transport Authority. The measure brings the power within the ambit of the authorities, which is entirely appropriate.

The amendment was agreed to, and the clause, as amended, was adopted.

Clause 33 (Standing Committees on consultation procedures)

Mr DELZOPPO (Narracan)—Clause 33 (4) (*b*) and (*c*) caused me some difficulty where it says:

> The Standing Committee shall be formed of—
>
> (*a*) five representatives of the management of the Authority, appointed by the Authority;
>
> (*b*) one representative of each of the five unions or associations with the largest number of members among the officers of the Authority, appointed by the Authority.

Then for some reason:

> (*c*) Five representatives from those groups of persons who use the services or facilities provided by the Authority, appointed by the Minister.

It states under sub-clause 5 (*a*):

> (*a*) Shall be appointed by the Minister after consultation with the representatives appointed under paragraphs (*a*) and (*b*) of sub-section (4).

Why should the group under sub-clause (4) (*c*) be subject to consultation and discussion with those from groups (*a*) and (*b*)?

Mr CRABB (Minister of Transport)—The rhetorical question is: Why not? The new consultative procedure has been developed by a consultative procedure and recommendations of that consultative procedure are as the honourable member sees before him now. These are endorsed by the management of the authorities, the union of the authorities and the hordes of people involved in the process throughout last year. It is entirely satisfactory to me and I do not understand why anyone should be concerned about it.

Mr DELZOPPO (Narracan)—I seek a better explanation than that which the Minister has given to the House so far.

Mr Simmonds—You have had two goes at asking.

Mr DELZOPPO—Thank you. Perhaps I might receive an answer this time. There is a qualification that persons who are appointed under paragraphs (*a*) and (*b*) must have a say as to whether five representatives are taken from those groups of persons who use the services of the facilities provided by the authority appointed by the Minister. In other words, paragraphs (*a*) and (*b*) are qualified. Why is this so?

The explanation given by the Minister was not good enough. The process might be the result of the consultative process; if so, I want to know the rationale behind the process.

Mr CRABB (Minister of Transport)—The consultative procedure was established fundamentally so that management and employees could discuss casually and sensibly any changes that may occur so that they can expedite those changes. The changes would then be facilitated rather than achieved through confrontation or consultation. The thought behind the clause is that the users of the system, the recipients of the service, ought to have a say as well. It is an added bonus, which is a good idea.

Those people who are most involved with the service ought to be provided the use of the third group. The reality is that one must try to produce a balanced committee procedure; if it is unbalanced it will not work. The reason for including that proviso was to ensure that it does work. The first two parties, management and employees, are the most fundamentally concerned with the consultative processes. They have to be confident that the balance in the committee will not be thrown out by appointments that are ill-advised in regard to the third group.

The clause was agreed to, as was clause 34.

Clause 35 (Road Safety Board)

Mr DELZOPPO (Narracan)—The clause deals with the Road Safety Board and states that there shall be a Road Safety Board. Part (3) of the sub-clause states:

> (3) The members of the Road Safety Board shall be appointed by the Minister on such terms and conditions as he sees fit.

In the Bill there is no spelling out of the number of members on that board. In other provisions in the proposed legislation the Minister has gone to great trouble and pains to name the number of persons. I wish to know why it has not been done here and what is his idea of a reasonable number to serve on such a board.

Mr CRABB (Minister of Transport)—With regard to other boards already addressed during the Committee stage, they have been corporate boards entrusted with the carrying out of duties and responsible for large bodies of expenditure, and they need to be of a manageable size. The board is advisory in the fullest sense of the word. Its function is to try to distil from a range of disciplines wise counsel in regard to road safety measures.

It would be in the best interests of the State if there were no limit put on that in that anyone who has expertise—whether they be from the Royal College of Surgeons or the Victorian Automobile Chamber of Commerce—would not be refused membership just to keep the size of the board down.

The clause was agreed to, as were clauses 36 and 37.

Clause 38 (Powers of Authorities and the Agency)

Mr DELZOPPO (Narracan)—Clause 38 (1) empowers the authorities and the agency to do all things. This matter was debated earlier in the evening. It is a wide-sweeping power given to the authorities and the agency. The Opposition cautions the Government that the power could lead to trouble. It was agreed by the members of the Government that lawyers would have a field day with some of the words used in that clause. I record my protest.

The clause was agreed to, as were clauses 39 to 41.

Clause 42 (Acquisition of land)

Mr CRABB (Minister of Transport)—I move:

> 13. Clause 42, page 26, line 7, omit "for".
>
> 14. Clause 42, page 26, lines 13 to 16, omit all words and expressions on these lines and insert:
>
> "450 metres therefrom, shall be deemed to be omitted;".

In addition, I foreshadow a further amendment to this clause. These amendments concern materials obtained from private lands and are introduced at the request of my colleague, the Minister of Lands. In

order to make the position clear, I point out that section 63 (1) of the Lands Compensation Act does not apply to materials from Crown land. The amendment that I foreshadow provides for entry upon land for the purpose of obtaining material, subject to the conditions set out in the amendment.

The amendments were agreed to.

Mr CRABB (Minister of Transport)—I move:

Clause 42, page 26, after line 27 insert:

(3) An Authority may, for the purposes of obtaining materials therefrom, enter upon any lands being a river, creek, water-course or Crown lands reserved under the Crown Land (Reserves) Act 1978 (being Crown lands reserved for the supply of sand, gravel, stone and other materials for the construction of public roads, buildings and other works) but so as not to damage any building, street, road, bridge or ford or to divert or interrupt the course of any river or creek and so, as not to search for, dig, raise, gather or take any such materials within 50 metres of any bridge, dam, jetty or other structure.

The amendment was agreed to, and the clause, as amended, was adopted, as were clauses 43 to 46.

Clause 47 (Surplus land)

Mr DELZOPPO (Narracan)—Clause 47 deals with surplus land. I direct the attention of the Minister to a letter I received from the Outdoor Advertising Association of Australia which states:

It has come to the attention of this Association that the new Transport Act 1983 (currently having the second reading) does not include provision for outdoor advertising or (see Section 47—Surplus land) other uses such as sheds/warehousing etc.

The meaning of Section 47 would be that there is no authority to grant leases or licences in respect of land not surplus.

To the knowledge of this Association revenue earned by the State Government from this source would exceed $50 000 per annum.

We wonder would it be the intention of the current Government to forsake this income or is it an oversight in the legislation.

In view of the anticipated revenue loss, as claimed by the association, will the Minister consider an amendment while the Bill is between here and the other place, and comment on the points raised in the letter?

Mr CRABB (Minister of Transport)—If the honourable member will supply me with a copy of the letter, I shall have someone explain the issues.

The clause was verbally amended, and, as amended, was adopted, as were clauses 48 to 50.

Clause 51 (Charges)

Mr DELZOPPO (Narracan)—The Opposition has some difficulty with clause 51 (2) which provides:

The State Transport Authority or the Metropolitan Transit Authority may not at any time increase the charges demanded by it in respect of a passenger service except with the concurrence of the Minister.

Passenger fare increases must have the concurrence of the Minister. However, subclause (3) provides:

The charges to be demanded by the State Transport Authority or the Metropolitan Transit Authority in respect of the goods services provided by it shall be as from time to time determined by the Authority.

The honourable member for Lowan made the point that there appears to be a prejudice about freight. Passenger fares can be increased only with the concurrence of the Minister, but the decision to increase freight rates may be made by the State Transport Authority or the Metropolitan Transit Authority without recourse to the Minister. I ask the Minister to inform the Committee why that is so.

Mr CRABB (Minister of Transport)—It is necessary to read these clauses in the context of the capacity of the Minister to make specific or general directions to an authority. In the current circumstances of a wage pause, the authority would receive directions from me if fares were to be increased—as indeed they have been, although freight rates have not been increased.

In the normal course, the intention is that, in the process of phasing-out freight subsidies, the authority should be able to operate in the market for freight rather than establishing a rigid freight rate. It ought to be able to charge what the market will bear in certain spots and negotiate for backloading in other spots, just as the trucking organization does. It is appropriate that the State Transport Authority should have flexibility to operate in the market just as do other organizations.

In respect of passenger fares, there is a similar element, although not to the same

extent. Since the fares charged bear dramatically on the subsidies that are necessary from the consolidated revenue of the State, one would not wish the State Transport Authority to cut fares substantially because the taxpayers of Victoria would then feel the difference. One would not want that to occur with the concurrence of the Minister.

The differential is an appropriate one, bearing in mind the general power of Ministerial direction that is granted in a clause that has already been accepted by the Committee.

Mr DELZOPPO (Narracan)—From the Minister's comments, I take it that the directions in respect of passenger fares are specific but what are the directions in respect of freight?

Mr CRABB (Minister of Transport)—The clause that has already been accepted empowers the Minister to give specific or general directions to any of the authorities concerning any matter. The difference is that the Minister may give directions concerning freight charges, whereas the authority comes to the Minister on passenger charges.

The clause was agreed to, as were clauses 52 to 54.

Clause 55 (Schedule 5)

Mr CRABB (Minister of Transport)—I move:

Clause 55, after line 37 insert:

"(2) Nothing in Schedule 5 shall be construed as conferring a power on the State Transport Authority, the Metropolitan Transit Authority or the Road Traffic Authority.".

The intention of the amendment is to ensure that Schedule 5 does not confer a power on the State Transport Authority, the Metropolitan Transit Authority or the Road Traffic Authority, and that is acceptable to the Municipal Association of Victoria.

The amendment was agreed to, as was a consequential amendment, and the clause, as amended, was adopted.

Clause 56 (Regulations)

Mr B. J. EVANS (Gippsland East)—Subclause (2) sets out in paragraphs (*a*) to (*z*) the purposes for which the Governor in Council may make regulations.

Because of the details set out in the regulation-making powers, it seems to me that a danger exists that if something that should be there is omitted, it could be argued that the authority does not have the power to do certain things as this has not been provided for in the extensive and comprehensive regulations.

This is despite the fact that the clause the Committee dealt with earlier seemed to be a grandfather clause to enable the Governor in Council to do everything considered necessary. The two clauses seem contradictory; one must be unnecessary. This long detailed clause is really unnecessary.

As I indicated, I am worried that because of the absence of a provision in this clause, it may be argued that an authority does not have power to do certain things. For example, no provision exists to allow the Governor in Council to make regulations about the provision or authorization of signposts indicating alternative routes, tourist attractions and facilities.

This is a live issue in East Gippsland at present. The area already spends considerable sums of money promoting items of interest. It is a crazy notion to attract tourists to the region and then not be allowed to erect signposts to tell them where to go.

I notice clause 56 (2) (*h*) prohibits the erection or construction of hoardings. If one examines the definition provided earlier in the Bill, one discovers that this refers to advertising. I hope my interpretation is correct when I state that a signpost to a hotel, post office or police station—where no actual business name is mentioned—is not considered to be advertising. If that is the case, that provision has a lot to commend it. I would be interested to know the reaction of the Minister because this is a matter about which I am concerned.

For example, if a businessman was interested enough to provide 24-hour petrol and meal facilities on an isolated stretch of highway, will he be allowed to erect signs indicating that these facilities are available for 24 hours? That would be a most helpful and important regulation-making power.

The clause does not make provision for the provision of distance markers on country highways to advise the distance between towns on the highway. This is done in other States. If one is driving along a country road, it is not much help to know that one is 525 kilometres from Melbourne. This is particularly true if one is involved

in an accident because one would not know whether a township lay within 2 kilometres over the next hill or whether one had to go back to a town 50 kilometres away. Valuable time could be wasted simply because the Bill contains no provisions for distance markings between major towns at regular intervals. Over the years, this has been a hobby-horse of mine. When the Country Roads Board was installing kilometre signposts—as distinct from mile posts—I put this question to the then Minister of Transport, the Honourable Ray Meagher. Even at that opportune time, the Minister thought it was more important for people to know that they were 470 kilometres from Melbourne.

Another desirable aspect would be to regulate the development of a system of road numbering to facilitate the identification of roads. Any person who has visited Great Britain or the United States of America would be familiar with the concept about which I am speaking. This State does not have so many roads that it would prove a difficult task.

Such a provision would be valuable, particularly in country areas. For example, if one has an electrical power failure at the week-end and has to contact someone 200 miles away and describe where one lives, one would be amazed how difficult it is to provide accurate instructions over the telephone on how to find the property. If one could say, "My farm is located on road C254", the person seeking the farm address could look at the map and easily find the farm. Such a system might be a valuable way of providing jobs for unemployed people who could devise a road numbering system to be eventually incorporated on all road maps.

I am concerned about clause 56 (2) (*i*) which allows the Governor in Council to make regulations:

> Requiring the droving of live stock along stock routes and prohibiting or regulating the droving of live stock along roads or the carriageway of roads in cases where roads or sections thereof in the vicinity of those roads or where parts of those roads have been proclaimed to be stock routes.

That is gobbledegook which seems to imply that one can drove stock only along roads declared as stock routes. This provision could prove difficult to regulate in country areas. I seek clarification on that regulation-making power before supporting the subclause.

The detail in the regulation-making powers goes to the extent of prohibiting or regulating the removal of grass growing on any road. It seems that one is gettng down to fine detail when one deals with minor items like this. In many country areas it is a good idea for a neighbouring farmer to put cattle on the road to keep down the level of growth. I can see that this needs to be done with discretion and properly carried out so that the animals are not permitted to wander all over the place. The grazing on roadsides assists with fire protection as well as improving the appearance of the roads.

Clause 56 (2) (*l*) refers to regulations preventing the cutting, breaking, barking, rooting up or otherwise destroying, damaging or destroying the whole or any part of any tree and so on without the permission of the Road Construction Authority.

What is the situation with roadsides cleared for fire-protection purposes? Does that mean that before a firebreak can be made, authority has to be given by the Road Construction Authority? This could be an unduly complicated requirement. Many of the regulation-making powers seem to be conceived on the notion that people are hell-bent on destroying everything they possibly can without any consideration to the interests of the roads which are there primarily to serve the people.

Many of the provisions are far too onerous and unnecessary.

The only other provision to which I make reference is clause 56 (2) (*z*) which refers to:

> Regulating the use of roadside reserves and requiring such charges as are approved by the Minister to be paid by persons using roadside reserves or facilities on roadside reserves.

My imagination cannot conjure up a situation where an authority would have facilities to such an extent that it would justify people having to pay for the use of those facilities.

In the main, the facilities would be, for example, electric barbecues that are sometimes provided by Lions Clubs. I do not know whether power is needed to cover that situation. Apart from that, I cannot imagine a situation that would require such a power.

Perhaps the board envisages developments in future that I cannot contemplate. We need to keep our feet on the ground regarding the regulating powers that are contained in this clause.

Mr CRABB (Minister of Transport)—I thank the honourable member for his comments and draw his attention to the fact that, under the miscellaneous provisions, clause 256 gives the Governor in Council power to make regulations without being specific.

The Government tried to accommodate the regulation-making powers that exist in the present Act in the Bill, particularly under the Country Roads Act. The intention of the Bill is not to change the *status quo* but to continue it. I take on board the comments made and will get specific responses.

The one matter to which I cannot respond directly refers to sign-posting. There has been extended correspondence on that matter. I received almost as much correspondence from the Honourable Barry Murphy as I received from the honourable member for Gippsland East. Other members representing country electorates have drawn the same matter to my attention on a number of occasions.

I had set in train a re-examination of all of the correspondence received on the issue with the intent of calling a conference after the House rises with the Road Construction Authority and those members who have shown an interest in the issue in an effort to get a more rational approach to the sign-posting of tourist facilities.

Mr BURGIN (Polwarth)—May I inquire whether clause 56 (2) (i) varies from what applied in the past? I take it that the restriction on roads and the regulation covers all roads in the State. If it does cover all roads in the State and we have an authority making reservations to cover all roads we will be in trouble in country areas when droving stock across the road. Can the Minister explain what that means and how it will operate in future. What roads will it cover and so on?

Mr CRABB (Minister of Transport)—As I said earlier, these regulation-making powers are the same as those that presently exist.

Mr Burgin—The Country Roads Act?

Mr CRABB—Indeed, yes. More importantly the regulation-making powers will continue after July.

The clause was verbally amended, and, as amended, was adopted.

Clause 57 (Interpretation)

Progress was reported.

BARLEY MARKETING (AMENDMENT) BILL

This Bill was received from the Council and, on the motion of Mr WILKES (Minister for Local Government), was read a first time.

REVOCATION AND EXCISION OF CROWN RESERVATIONS BILL (No. 2)

This Bill was received from the Council and, on the motion of Mr SIMPSON (Minister of Public Works), was read a first time.

ESTATE AGENTS (RECONSTITUTION) BILL

This Bill was received from the Council and, on the motion of Mr JOLLY (Treasurer), was read a first time.

SOCIAL DEVELOPMENT COMMITTEE

The SPEAKER (the Hon. C. T. Edmunds)—I have received a message from the Legislative Council:

> The Legislative Council acquaint the Legislative Assembly that they have agreed to a resolution to discharge the Honourable K. I. M. Wright from attendance upon the Social Development Committee and inform the Legislative Assembly that a vacancy exists in the membership of that Committee.

Mr FORDHAM (Minister of Education)—By leave, I move:

> That Mr Steggall be appointed a member of the Social Development Committee.

In explanation, it is filling the vacancy left as a result of the elevation of the Honourable K. I. M. Wright to the august Office of Deputy President in the Legislative Council.

The motion was agreed to.

The House adjourned at 2.29 *a.m.* (*Wednesday*).

Wednesday, 1 June 1983

The SPEAKER (the Hon. C. T. Edmunds) took the chair at 11.05 a.m. and read the prayer.

QUESTIONS WITHOUT NOTICE

ALCOA OF AUSTRALIA LTD

Mr KENNETT (Leader of the Opposition)—I ask the Premier whether it is a fact that if the Alcoa of Australia Ltd project at Portland is lost to Victoria, other investors, both within Australia and overseas, will be dissuaded from investing within this State. After thirteen months of Government vacillation on energy prices regarding the Alcoa project, when will a decision be announced on this important project for long-term employment growth?

Mr CAIN (Premier)—The House is aware of the current position. Discussions are continuing with the company, and as I have made clear before, I am not prepared to speculate on the nature of those discussions. That is not desirable for either the people of this State or the commercial organization involved, and the Government will strictly observe that requirement. I am not able to indicate when an announcement will be made.

FOOTBALL FINALS TICKETS

Mr ROSS-EDWARDS (Leader of the National Party)—I refer the Minister of Consumer Affairs to practices of certain Victorian Football League clubs in the selling of finals tickets to their members last year and charging a "management" fee. That fee amounted to $5 a ticket. The Premier indicates, by interjection, that it was a handling fee. Will the Minister advise the House whether he intends to take any action about this type of scalping, because that is what it is; and will he answer the question quite simply as to whether he intends to take action in 1983?

Mr SPYKER (Minister of Consumer Affairs)—I refer the Leader of the National Party to the answer given by the Premier to a question asked in this House yesterday. As the Premier indicated, the Victorian Football League has had discussions with both the Minister for Youth, Sport and Recreation and myself. Certain information was requested, which has not been forthcoming from the league clubs. The Government has been in touch with the league and has clearly indicated that only three answers from the twelve clubs have been received. When the answers are received from the other clubs, the Government will consider the matter further.

OFFICE OF DIRECTOR OF PUBLIC PROSECUTIONS

Mr HILL (Warrandyte)—Will the Attorney-General inform the House what progress he has made in the establishment of the office of the Director of Public Prosecutions?

Mr CAIN (Attorney-General)—Today is the day the Director of Public Prosecutions formally commences duties. This is a first for Australia, and I am delighted that the Stewart Royal Commission suggested that there should be an office of Director of Public Prosecutions for the Commonwealth and that a similar process should be adopted in other States.

It is of some significance that this matter has occurred, because it gives Victoria the best system of criminal prosecutions in this country. The House should be aware that the establishment of the office was an early initiative of this Government, and I look forward to its functioning in the future. It puts criminal prosecutions where they should be. Already, the director, in his capacity as an officer before he obtained full control of prosecutions, has been a source of advice to the Criminal Law Branch as to the way in which prosecutions should be framed.

There has already been a reduction in the number of delays and the number of persons awaiting trial. I look forward with confidence to the advances that will be made in the months ahead.

TRUSTEES EXECUTORS AND AGENCY CO. LTD

Mr MACLELLAN (Berwick)—In the light of the Attorney-General declining last week to indicate that the Government was willing to guarantee the position of ordinary

investors who put their life savings into the Trustees Executors and Agency Co. Ltd and yesterday's Ministerial statement in which the honourable gentleman indicated that the Government intended to safeguard the position of small investors, I ask the Attorney-General in what way will small investors in the Trustees Executors and Agency Co. Ltd be safeguarded. What action does the honourable gentleman intend to take to safeguard those investors and will the Government re-examine the position and perhaps consider guaranteeing trustee company operations so that there may be some confidence in the trustee companies operating in Victoria?

Mr CAIN (Attorney-General)—I believe I made clear yesterday the support the Government will give to this matter. It will give support to both the inquiry being conducted by the National Companies and Securities Commission and the work of the liquidators. In addition, if any proposal is put in regard to the transfer or sale of the trust's operation, consideration will be given to what support should be given by way of legislative action in the Parliament.

On the question of guarantees, the honourable member for Berwick knows as well as any honourable member in this place that no guarantee can be given in regard to the commercial operations of any organization in this country. Approximately ten years ago some trustee companies chose to enter into what might be regarded as the non-traditional forms of trustee activity. The then Government, of which the honourable member for Berwick was a member, chose not to act. That has been the case for a long period.

In regard to the implied assertions about other trustee companies, I am advised that the records lodged by all companies have been examined closely; all companies have been visited by inspectors; company accounts have been analysed and those examinations have not revealed anything untoward. It may well be that consideration should be given to a closer scrutiny of future operations of trustee companies. That matter is being considered.

SOLICITORS' TRUST ACCOUNTS

Mr WALLACE (Gippsland South)—Can the Treasurer inform the House why a solicitor's trust account is not exempt from the financial institutions duty, whilst a stockbroker's trust account is?

Mr JOLLY (Treasurer)—The Government has examined this position. Stockbroker's trust account is not analagous to a solicitor's trust account referred to by the honourable member. For that reason it is not exempt from the financial institutions duty.

HOSPITAL CHARGES

Mr NORRIS (Noble Park)—Can the Minister of Health inform the House of any decisions taken in relation to increases in hospital charges?

Mr ROPER (Minister of Health)—Under the present arrangements announced in May last year, hospital charges were to have been indexed for indexing hospital fee increases. That was to have been announced on 1 June and to have come into effect on 1 September.

The Government has decided to defer the letters to the health funds and to the Federal Minister for Health pending the outcome of the discussions between the Commonwealth and the other States on the introduction of Medicare.

Under the arrangements announced in May last year, there was to have been a $10 per day increase for a shared room in a public hospital from 1 September.

The Government took the view, I think quite properly, that because the Medicare arrangements are not yet determined, and because of the need to examine the Commonwealth's attitude to the revenue arrangements, both for this year and for the introduction of Medicare, it would have been inappropriate to notify the funds of an increase with all that discussion still to occur.

I have informed Mr Munro of the Health Benefits Council that it would be our intention to communicate with the funds, I hope by 1 July, so that, if there are any rises necessary, they can be provided for by the funds, and if there are not any rises necessary the funds will know where they stand for the rest of this calendar year, and until 1 February when the new scheme commences.

TEACHERS' STRIKE

Mr JONA (Hawthorn)—I refer the Minister of Education to tomorrow's stop-work meeting by 4000 technical teachers in Victoria and the proposed one week's stoppage later this month. Will the Minister advise the House whether these strikes, in his view, are in breach of any agreement between the Government and the Technical Teachers Union of Victoria and will he advise the House of the grounds of the dispute, indicating the nature of the demands made by the Technical Teachers Union of Victoria and the response to those demands by the Government?

Mr FORDHAM (Minister of Education)—The dispute relates to a log of claims that was made to the Government late last year by the Technical Teachers Union of Victoria. An earlier settlement was reached as far as 1983 was concerned, and the negotiations over recent weeks have centred on the claims application for 1984.

I am sure that the honourable member for Hawthorn will be delighted to know that those negotiations concluded last night and that agreement has been reached on most of the significant issues that were within the log of claims; and that the agreed proposals are to be put to the principals of each of the organizations, that is, in the case of the Government, the Cabinet, and in the case of the union it will be put to their membership meeting on Thursday. The honourable member for Hawthorn was obviously concerned that there would not be continued industrial disruption in schools. Therefore, I am sure that he is delighted with the success of the Government in ensuring that that is not the case. I ask the honourable member to contrast the industrial record of this Government over the past fifteen months with his own Government's disgraceful record where thousands and thousands of man hours were lost to Victorian children.

The SPEAKER (the Hon. C. T. Edmunds)—I ask the Minister not to debate the subject.

Mr FORDHAM—As I have already demonstrated, the earlier agreements reached with both the Technical Teachers Union of Victoria and the Victorian Secondary Teachers Association were at no additional significant Budget cost and I am pleased to say that I am optimistic this will also prove to be the case within this area. Obviously, industrial relations should not be dealt with in either the media or this situation.

Those negotiations will be continuing, following consideration of both of those principles, and I will be prepared at that stage to make available details to the honourable member for Hawthorn.

TAXIS FOR DISABLED PERSONS

Mr IHLEIN (Sandringham)—Can the Minister of Transport inform the House of the success or otherwise of the multi-purpose taxi scheme for disabled people?

Mr CRABB (Minister of Transport)—The multi-purpose taxi scheme was introduced in February of this year, and it comprises two aspects; one is the availability of the new taxis, which have hydraulic lifts at the rear of them, and which can accommodate two wheel chairs and several people.

The other part of the programme is that people who have transport disadvantages, because they are impaired or handicapped in a way that prevents them from using public transport, are eligible to receive books of vouchers that enable them to travel in taxis, either multi-purpose or ordinary taxis, at half the normal fares. Since February, about 8000 people have enrolled in the scheme and about 500 or 600 applications are being received a week.

The scheme has been remarkably successful and was introduced with what one could call a minimum of fuss. It is testimony to the steering committee that was appointed last year to design and implement the scheme. The committee was comprised of people who are transport disadvantaged themselves. I know that the honourable member for Sandringham has publicized the scheme extensively in the Sandringham electorate and I am grateful for his assistance. I exhort members of the Opposition and Government party to publicize the scheme as widely as they can within their electorates. Leaflets and other information are available from the Ministry of Transport.

MELBOURNE CRICKET GROUND

Mr DELZOPPO (Narracan)—I direct a question to the Premier. The Government has supported lighting of the Melbourne Cricket Ground by means of floodlights on high poles so that events can be held at night, but this will presumably cause traffic congestion and noise. Before any decision is made on the matter, will the Premier take into consideration the interruption that events at the ground will have on hospitals and residents in the area before any decision is made?

Mr CAIN (Premier)—I have discussed the lights being installed at the ground in general terms and I understand that discussions are occurring between the Melbourne Cricket Club and the Melbourne City Council, which is the responsible authority for the issues connected with night time activities. I cannot inform the honourable member in any more detail than that, other than that I expect those discussions will continue.

REGIONAL TOURIST AUTHORITIES

Mr JASPER (Murray Valley)—I direct a question to the Minister for Economic Development as Minister responsible for tourism. In regard to the continuing confusion on the future of regional tourist authorities in Victoria, which was added to last week with authorities meeting in Melbourne with the Director of Tourism, Mr Don Dunstan, will the Minister make an announcement to this House on the future structures and clarify the position of regional tourist authorities?

Mr CATHIE (Minister for Economic Development)—I hope to be making an announcement on this matter shortly.

ABORIGINAL LAND RIGHTS

Dr COGHILL (Werribee)—Will the Premier inform the House of the progress the Government has made in consultations with the Aboriginal community concerning recognition of Aboriginal land rights in this State?

Mr CAIN (Premier)—Since releasing the Government's proposals earlier in the year, the honourable member for Werribee, as Parliamentary Secretary of the Cabinet—the person assisting me in this regard—and I have been involved in extensive consultations with the Aboriginal community. Of their own accord the Aboriginal community convened a task force on land rights. On 20 April I met with that group at this place and discussed a number of matters put forward by them. As a result of those discussions, the Government has agreed not to proceed with the legislation until agreement has been reached on its final form. They do not want the legislation to proceed in August, as has been suggested. They wanted more time in order to assist them in their processes. I have offered the services of the aboriginal affairs unit in the Department of the Premier to work with the task force.

Both Mr Reg Blow and the Parliamentary Secretary of the Cabinet, the honourable member for Werribee, have been consulting with and will continue to assist and guide the local Aboriginal communities throughout this State. The honourable member for Werribee, to whom reference has been made, met with a number of members of the Aboriginal community on 18 May and has continued discussions with them.

Finally, I value highly the assistance given by the honourable member for Werribee. It is important that he should bring the matter forward so the House and the people of this State can be informed about what the Government is doing in this important area. I do not want to score political points at question time. I never like doing that.

Honourable members interjecting.

Mr CAIN—With the performance of honourable members opposite, I do not need to. They score them all! This is a most sensitive area and I am delighted that the Government has taken the initiative and given the lead to the rest of this country. The Leader of the National Party scoffs. I believe the Leader of the National Party said "Rubbish". That sums up their attitude. The Government believes this to be an important matter. If the coalition does not, that does no more than give authority once again to what we have known about that party for some time.

This is a sensitive area and this Government will carefully examine matters of historical, legal, political and cultural concern. The Government should be applauded by the Opposition rather than derided for what it is doing.

ROYAL COMMISSION ON DRUGS

Mr LIEBERMAN (Benambra)—My question to the Premier relates to the horror and anger that all honourable members must feel at the matters on drugs in Victoria disclosed by Mr Justice Stewart. I remind the Premier of recommendation No. 68 of the Williams Royal Commission.

Honourable members interjecting.

The SPEAKER (the Hon. C. T. Edmunds)—Order! I ask honourable members on the Government benches to remain silent and allow the honourable member for Benambra to ask his question.

Mr LIEBERMAN—I am quoting the Premier's own words in his Ministerial statement delivered yesterday. That is the reason for the confusion.

The SPEAKER—Will the honourable member get to the question?

Mr LIEBERMAN—The recommendation called on the States and the Commonwealth to adopt uniform laws which would introduce severe penalties involving confiscation of property and the application of profits from drug trafficking towards rehabilitation of victims. I refer the Premier to the fact——

The SPEAKER—Order! The honourable member is stretching my tolerance.

Mr LIEBERMAN—The former Government introduced laws to that effect. I ask the Premier, mindful of the fact that he wishes to amend this provision, to consider seriously the proclamation nevertheless of those laws as an interim measure so that the restraint will apply in the meantime against those people involved in such disastrous criminal activities?

Mr CAIN (Premier)—I thought the honourable member was aware that that matter is under consideration by his successor, the Minister of Health, who has had the matter under consideration for some time. The information as I have it is that the previous legislation prepared by the former Government was inadequate and has been reviewed. A further initiative will shortly be taken.

STONY POINT RAILWAY LINE

Mr HASSETT (Dromana)—In view of the recently announced and much required improvements to the Mornington Peninsula transport service, will the Minister of Transport inform the House when the Stony Point railway line will be re-established?

Mr CRABB (Minister of Transport)—We would certainly restore the rail line earlier if we had any trains to run on it, but the rail motors that we inherited from our predecessors have all fallen apart, which is not surprising when one considers that they are older than any of us here! We are in the process of rebuilding a number of light locomotives and carriages appropriate for use on country lines such as the Stony Point line, and I assure the honourable member that those services will be operating in time for the Christmas holidays?

The reintroduction of that rail link is only one facet of the Government's transport plans for the Mornington Peninsula, which have been arrived at after a study involving representatives of community groups in the area. It covers an area of some 700 square kilometres and involves a greatly improved bus service and new time-tables.

BUDGET DEFICIT

Mr RAMSAY (Balwyn)—I direct a question to the Treasurer in view of the stated deficit as at the end of April of $272·8 million that has appeared in the Current Account, whereas a closer examination reveals that the real deficit is nearer to $320 million. The Treasurer has indicated the Government's intention to examine expenditure closely; could the honourable gentleman advise the House what areas of expenditure the Government proposes to cut to overcome this serious deficit?

Mr JOLLY (Treasurer)—I thank the honourable member for Balwyn for his question, because, once again, it gives me the opportunity of explaining to the House the financial position of the State. If the honourable member had read the narrative attached to the monthly financial statement, he would have seen that there has been an improvement in the position compared with that of last month. As I indi-

cated in the monthly financial statement released today, the order of magnitude of the deterioration of the Budget position in Victoria is $60 million. Last month it was $70 million. The Leader of the Opposition, who is interjecting, is not only very bad at arithmetic, but his grasp of economics is not even at the basic stage.

I have indicated on a number of occasions that there are a number of taxation measures that do not yield revenue on a *pro rata* basis. The public authorities contribution dividend will yield an additional $91 million over the payment that has already been made. The debt charges that are included in the financial statement accrue at different rates over the years. That will make a difference of $35 million by the end of the financial year.

The land tax issue is also one that I have raised with the Opposition. That will produce $78 million in addition to the amounts that have been collected, so there will be a gain on that front. Additional liquor licensing revenue at the end of June is estimated to be $59 million.

When one takes those revenue figures into account, one sees that the actual deterioration compared with the Budget is $51 million. The Government's expectation is that the deterioration by the end of the financial year will be $60 million. I emphasize that that deterioration has been due solely to the fact that revenue estimates at the time of the budget overstated the amount of revenue coming into the government coffers, and this was as a result of two major factors: firstly, the severe drought that has been faced in Victoria, and, secondly, the rapid decline in economic conditions that has spread throughout Australia.

TOWN PLANNING APPEAL PROCEDURES

Mr McNAMARA (Benalla)—Will the Minister for Local Government consider further simplifying the town planning appeal procedures to reduce costs and delays, particularly for local government authorities, appellants, developers and other interested parties?

Mr WILKES (Minister for Local Government)—I am prepared to consider the proposition put by the honourable member, and will get back to him on it.

PETITIONS

The Clerk—I have received the following petitions for presentation to Parliament:

Lottery profits

TO THE SPEAKER AND HONOURABLE MEMBERS OF THE LEGISLATIVE ASSEMBLY OF THE VICTORIAN STATE PARLIAMENT, HERE IN PARLIAMENT ASSEMBLED:

We, the undersigned Citizens of the State of Victoria, believe that all profits arising from the conduct of lottery operations in the State of Victoria should be controlled by the Government for the benefit of all Victorian citizens, and that no part of any profits be allowed to flow into the hands of private individuals or combinations of international multi-millionaires.

We humbly beseech that this Parliament will legislate accordingly, and your petitioners, as in duty bound, ever pray.

By **Mr Hockley** (54 signatures)

Hotel trading hours

TO THE HONOURABLE THE SPEAKER AND MEMBERS OF THE LEGISLATIVE ASSEMBLY OF VICTORIA IN PARLIAMENT ASSEMBLED:

The humble Petition of the undersigned citizens of Victoria respectfully showeth:

1. We have been informed that it is intended to legalise the extension of hotel bar trading hours on Sundays in addition to the present provision of liquor with meals.

2. Statistics recorded by the Road Safety and Traffic Authority for the period 1977 to 1981 show that the ratio of road accidents on Sunday vs Saturdays is approximately half, that is 420 to 801.

We are very concerned that any extension of hotel bar trading hours on Sundays will adversely affect the road traffic accident situation particularly as ROSTA has stated that alcohol and speed are the two main contributing causes of road accidents.

3. A Senate Standing Committee on Social Welfare in 1977 reported that alcohol is the major drug abuse in Australia and the committee urged all Governments in Australia to take appropriate measures to reduce alcohol consumption.

4. There has been no publicly demonstrated need, or any evidence submitted to support any introduction or extension of hotel bar trading hours on Sundays. Indeed, it would be more appropriate in line with the 1977 Senate Committee report to impose greater restrictions on current sales on Sundays.

Your Petitioners therefore humbly pray your honourable House take appropriate action to immediately ensure that hotel bar trading hours are not

extended in any way whatsoever and that consideration be given to implement recommendations in the 1977 Senate Standing Committee on Social Welfare with regard to alcohol consumption.

By **Mr Williams** (84 signatures)

Returnable drink containers

TO THE HONOURABLE THE SPEAKER AND MEMBERS OF THE LEGISLATIVE ASSEMBLY IN PARLIAMENT ASSEMBLED:

The humble petition of the undersigned citizens of the State of Victoria showeth our concern for the wastage of energy and raw materials that results from the use of throw-away packaging.

Your petitioners therefore pray that: legislation be enacted to make all drink containers returnable, in a similar manner to the successful Beverage Containers Act in South Australia, and do further state our wish to see that all returnable containers bear a handling fee to be paid to all those who collect such containers. We further urge that all unnecessary, wasteful or dangerous forms of packaging, such as ring-pull can tops, be made illegal and do support all such Acts of Parliament which encourage recycling and conservation of resources, and your petitioners, in duty bound, will ever pray.

By **Mr Sidiropoulos** (258 signatures)

Shop trading hours

TO THE HONOURABLE THE SPEAKER, MR C. T. EDMUNDS, M.P., AND MEMBERS OF THE LEGISLATIVE ASSEMBLY IN THE PARLIAMENT OF VICTORIA ASSEMBLED:

The petition of the undersigned citizens of Australia respectfully showeth: The concern of the members of the Meat and Allied Trades Federation of Australia, Victoria Division, and residents of Eaglemont at the Victorian Liberal Parliamentary Party's policy of deregulation of trading hours for retail shops in Victoria, as such action would increase costs, aggravate inflation and unemployment in the retail industry, discriminate against labour intensive small firms employing full-time skilled employees in favour of the giant self service retail chains mainly employing junior staff at casual rates, which we believe is not in the best interests of the community.

We respectfully submit that deregulation of trading hours would seriously impact the "quality of life" of the small business owner-manager and the "quality of work life" of employees of small and independent firms.

We respectfully request that the Victorian Government's policies supporting small business and the non-extension of shop trading hours be strengthened and that penalties for breaches of the Labour and Industry Act 1958 be enforced.

And your petitioners as in duty bound will ever pray.

By **Mrs Setches** (53 signatures)

School Dental Service

TO THE HONOURABLE THE SPEAKER AND THE HONOURABLE THE MEMBERS OF THE LEGISLATIVE ASSEMBLY IN PARLIAMENT ASSEMBLED:

The humble petition of the undersigned citizens of the State of Victoria shows our concern that changes announced to the School Dental Service will result in poorer dental health for the children of Victoria.

Your petitioners therefore pray that the House take action to revoke the announced changes and to ensure the implementation of the original aims and philosophy of the Australian School Dental scheme, namely, to provide a universal free, and comprehensive service to all pre-school, primary school, and secondary school children in Victoria.

And your petitioners, in duty bound, will ever pray.

By **Mr Fogarty** (407 signatures)

Workers compensation

TO THE HONOURABLE SPEAKER AND MEMBERS OF THE LEGISLATIVE ASSEMBLY IN PARLIAMENT ASSEMBLED:

The humble petition of Concerned Small Businessmen's Association showeth petition following meeting, held at Bayswater Community Centre on Tuesday, 25 January 1983 and at the Ringwood Library on Wednesday, 4 May 1983 on workers compensation.

Your petitioners therefore pray that the State Government totally re-evaluate workers compensation and its effect on small business.

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

By **Mr Saltmarsh** (9 signatures)

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

ECONOMIC AND BUDGET REVIEW COMMITTEE

Review of Audit Act

Mr ROWE (Essendon) presented a report from the Economic and Budget Review Committee on a review of the Audit Act 1958, together with extracts from the proceedings of the committee, appendices and minutes of evidence.

It was ordered that they be laid on the table and be printed.

PAPER

The following paper, pursuant to the direction of an Act of Parliament, was laid on the table by the Clerk:

Egg Industry Stabilization Act 1973—Report of the Poultry Farmer Licensing Committee for the year ending 28 February 1983.

APPROPRIATION MESSAGES

The SPEAKER (the Hon. C. T. Edmunds) announced that he had received messages from His Excellency the Governor recommending that appropriations be made from the Consolidated Fund for the purposes of the following Bills:

Equal Opportunity Bill

Alpine Resorts Bill

ORDER OF BUSINESS

Mr FORDHAM (Minister of Education)—I move:

That the consideration of Orders of the Day, Government Business, Nos. 1 to 3, be postponed until after this day.

There has been a delay at the Government Printer for facilitating printing between the Legislative Council and this place and as the three Bills on the Notice Paper are not ready, I propose that the House moves along to the much-anticipated debate on the Transport Bill.

The motion was agreed to.

TRANSPORT BILL

The House went into Committee for the further consideration of this Bill.

Clause 57 was agreed to.

Clause 58 (Minister to set quantitative targets)

Mr DELZOPPO (Narracan)—Clause 58 (1) states:

The Minister shall after consultation with each Authority make a written determination of the quantitative targets to be attained by each Authority in a financial year.

As this information would be very interesting and vital to Parliament, can the Minister inform the Committee whether such determinations will be public documents and whether Parliament will be informed of these determinations?

Mr CRABB (Minister of Transport)—I draw the attention of the honourable member to clause 58 (6) which states:

A copy of every determination of quantitative targets made by the Minister under sub-section (1) and a copy of every amendment of such a determination made by the Minister under sub-section (3) shall be laid before both Houses of Parliament.

That is the intention.

The clause was agreed to, as were clauses 59 to 61.

Clause 62 (Funding of deficit)

Mr DELZOPPO (Narracan)—The clause indicates that, should there be a deficit, the Treasurer and the Minister shall consider how the deficit shall be funded. That is an open-ended clause and I believe the Minister should indicate what he has in mind with regard to the words "how those deficits shall be funded".

Mr CRABB (Minister of Transport)—The situation in future will be no different from what it has been in the past. The deficit referred to is intended to be the subsidy that is required for public transport operations. What will happen now is that consideration will be given to how the deficit should be funded. It was done without being enshrined in legislation, and the Bill brings that into some order and provides some accountability that does not exist at present.

The clause was agreed to.

Clause 63 (Revised budget)

Mr DELZOPPO (Narracan)—Once again on accountability, I should like the Minister to inform the Committee whether Parliament will be advised of those proposed revised budgets on the grounds that the Opposition would want to make an assessment of how transport is proceeding. I should like to know whether those proposed revised budgets will be available and subject to the scrutiny of Parliament.

Mr CRABB (Minister of Transport)—The intention would not be to put forward those changes in the budget to the Parliament other than in the context of a Supply Bill.

In effect, in two financial statements that come before the Parliament—the Budget being one—I expect the Parliament and I, as a Minister, would get much more information from this system than at present

from transport authorities. Later, towards the end of the financial year the Supply Bill would be the place where the House would most appropriately be informed of that situation.

The clause was agreed to, as were clauses 64 and 65.

Clause 66 (General funds)

Mr CRABB (Minister of Transport)—I move:

Clause 66, page 41, line 9, after "Authority" insert:

"shall pay into the Works and Services Account—

(*a*) all money borrowed by the Authority under this Act;".

An omission has been made from the Bill and the measure would not make much sense without it.

The amendment was agreed to, and the clause, as amended, was adopted.

Clause 67 (Audit and annual report)—

Mr DELZOPPO (Narracan)—I compliment the Minister on clause 67 (6). The form of reporting expressed in the clause is laudable and I should like to put it on the record.

The clause was agreed to, as was clause 68.

Clause 69 was verbally amended, and, as amended, was adopted, as were clauses 70 to 74 inclusive.

Clause 75 (Regulation with respect to bonds and stock)

Mr CRABB (Minister of Transport)—I move:

Clause 75, after line 33 insert:

"(*g*) the destruction of discharged bonds;".

This was an omission in the Bill.

The amendment was agreed to, and the clause, as amended, was adopted, as were clauses 76 to 80 inclusive.

Clause 81 (Transfer of assets or liabilities from one authority to another)

Mr DELZOPPO (Narracan)—As I mentioned last night, it is my intention to move an amendment on this clause which allows the Minister to transfer assets and liabilities from one authority to another by means of an order made under his name. Evidence of such order is to be published in the *Government Gazette*. I move:

Clause 81, after line 45 insert:

"(5) A copy of every Order made under sub-section (1) shall be laid before both Houses of Parliament as soon as practicable after it is made.

(6) An Order made under sub-section (1) shall be subject to disallowance by Parliament and the provisions of section 6 of the Subordinate Legislation Act 1962 shall apply as if the Order were a statutory rule within the meaning of that Act.

(7) Where an Order made under sub-section (1) is disallowed by Parliament the Minister shall do all such things as are necessary to give effect to the disallowance.".

The Opposition believes the provision allowed the Minister of the day too much freedom. The amendment I propose makes the Minister more accountable to the Parliament and if Parliament so wishes it can disallow the order made on the transfer of any asset or liability from one authority to the other.

Mr McGRATH (Lowan)—I support the amendment on behalf of the National Party. The spokesman for the Opposition has put his finger right on the concern of many people, particularly those from municipalities and other sections of the industry. Some of the authorities in the transport system have had the ability to spend considerable amounts of money but also to retain control of their past deficits.

I refer honourable members in part to the Country Roads Board which has been able to control its budget whereas VicRail, being a public transport system, has operated on a considerable deficit for a number of years. Many people are concerned that under that provision of clause 81 it would be possible that a Minister—not necessarily this Minister—may have been able to transfer a deficit from one authority to another authority, which had credit.

The first two sub-clauses of clause 81 are wide ranging and could have wide-ranging effects, depending on their interpretation. The National Party supports the amendment moved by the honourable member for Narracan because it tightens the proposed legislation.

Mr CRABB (Minister of Transport)—The intention of the sub-clause was twofold. Firstly, it allowed an efficient process for the reorganization of the authorities such

that when the Bill is proclaimed and becomes law on 1 July, all assets and liabilities will go into one of the new authorities. In the ensuing weeks it may be necessary to sort things out by using transfers rather than writing all that information into the Bill.

Secondly, the provisions are an attempt to obviate some of the difficulties experienced in the past. I shall instance two specific examples. Over several years reports were received from the Melbourne Underground Rail Loop Authority, until it transferred to Victorian Railways Board. Its assets were registered under the assets of the Victorian Railways Board accounts but they were also still registered under the assets of the Melbourne Underground Rail Loop Authority. The reason that an anomaly existed was that there was no capacity to efficiently transfer those assets.

Similar circumstances arose with that great hole that was dug in Box Hill, which now has a train line through it. Its assets were represented on the asset register of the Victorian Railways Board and also with the Railway Construction and Property Board. The clause allows similar circumstances to be handled in an efficient way. Through a Ministerial direction, assets will be able to be transferred from one authority to another; it is not the intention of the clause to shuffle money around for other purposes.

The amendment moved by the honourable member for Narracan causes me no problems. The Government accepts the amendment. I envisage no difficulties in having every order being tabled in Parliament.

Mr BURGIN (Polwarth)—I thank the Minister for his explanation and acceptance of the amendment. Under the establishment of those authorities, a safeguard must be included to allow the Parliament to be made aware of what takes place when these transfers are carried out.

The clause goes much further than the explanation given by the Minister indicated. In future any Minister of the day could transfer assets from one authority to the other. For example, if a Minister were keen on public transport to the extent that he would like to see it develop at the expense of the private transport industry, the Minister could transfer assets from the private authority to the public authority under the provisions of the clause. It is wise to have notification to Parliament and I thank the Minister for accepting the amendment.

The amendment was agreed to, as was a verbal amendment, and the clause, as amended, was adopted.

Clause 82 (Victorian Transport Service)

Mr McGRATH (Lowan)—This is a new section. There have been many different clauses but it is the first time this type of provision has been written into a transport Bill. Sub-clause (3) (*b*) reads:

> (*b*) shall be made only after consultation with the union or association to which the person or class of persons, in respect of whom the determination is being made, belongs.

Can the Minister explain the sub-clause?

Mr CRABB (Minister of Transport)—The idea for the Victorian Transport Service came from the endeavours of the task force last year and was considered to be a significant improvement to the employment structure of the transport system. Honourable members may know that each of the authorities had its own structure and little capacity for interchange between one authority and another and, indeed, between the authority and the Public Service. It was considered that people's career prospects could be enhanced by altering the provisions. However, like most ideas it was discovered to be more complex than it appeared at first glance.

Although the idea is still endorsed generally across the board, a number of difficulties have arisen. Those difficulties arise from the application of different awards; some places have Federal award coverage, some have wages board coverage and some are covered by the Public Service; different unions have different areas of constitutional coverage under the Conciliation and Arbitration Act. Consequently, problems have been encountered in putting everyone into the transport service. The aim is to establish the transport service as a shell into which sections of the transport employees will be transferred as and when circumstances are propitious. That must be done in consultation with the people involved and the organizations that represent their industrial interests.

Mr McGrath—Will they retain their accreditations?

Mr CRABB—Yes; there is no question of that. The Bill contains extensive savings provisions concerning accrued rights, existing conditions, seniority rights and so on.

The clause was agreed to, as were clauses 83 and 84.

Clause 85 (Regulations)

Mr DELZOPPO (Narracan)—This is a new clause, in the sense that it has not been taken from existing legislation. As I mentioned during the second-reading debate, it is a watering down of the provision that was contained in a draft of the Bill that was circulated on a confidential basis to various organizations. That draft contained a Division 4, entitled "Appeals and Discipline" which, in clause 84, proposed to establish a Victorian transport service appeals tribunal and a Victorian transport service disciplinary appeals tribunal and listed the members of those two bodies.

Clause 86 of that draft Bill provided:

(1) An officer who—

(*a*) commits any act of misconduct;

(*b*) is negligent or careless in the discharge of his duties; or

(*c*) is inefficient or incompetent and such inefficiency or incompetency appears to arise from causes within his own control—

shall be guilty of an offence.

(2) An officer who is found guilty of an offence under sub-section (1) shall be liable to any one or more of the following penalties:

(*a*) Admonition;

(*b*) Reprimand;

(*c*) A fine;

(*d*) Reduction in classification or grade;

(*e*) Reduction in salary;

(*f*) Removal from office and appointment to another office; or

(*g*) Dismissal.

I ask the Minister to comment on the suggestion that clause 85 is a watered-down version of the original division and to inform the Committee whether he would be in a position to deal more effectively with train strikes, such as the one that is presently being held, if he had the power that was proposed in that earlier draft of the Bill.

Mr CRABB (Minister of Transport)—The honourable member is under a misapprehension. The provision to which he refers applies to railway employees. It has been included in the Railways Act since time immemorial and it will continue to be so. The disciplinary apparatus does not have to be in the Act; it is part and parcel of the body of railways regulations. That process applies at this very moment and will continue to apply to railway employees.

I may say that the railway employees are happy with that process and prefer it to any other. However, employees of other authorities do not fancy that position at all, so, although the intention was to have that situation apply to the transport service, it was considered that more flexibility was required. The procedures for discipline that apply in various authorities seem to have resulted from historical events.

The system that operates in the railways may even be unique; I cannot think of another area of employment where one is fined $5 for being late to work; that is not the custom in any other area of employment with which I have been associated, but it has become fairly entrenched in the railways and works effectively. I do not criticize it, but I am not about to embark on an evangelical campaign to introduce that type of system elsewhere.

The intention of expressing the regulatory powers in this way was to allow flexibility so that matters could be dealt with in a way that met the best interests of the community.

The clause was agreed to.

Clause 86 (Interpretations)

Mr CRABB (Minister of Transport)—I move:

Clause 86, page 51, lines 31 and 32, omit "or commercial goods vehicle" and insert ", commercial goods vehicle or tow truck".

Clause 86, page 51, line 34, omit "or commercial goods vehicle" and insert ", commercial goods vehicle or tow truck".

Clause 86, page 51, after line 40 insert:

"(*v*) a tow truck—".

The intention is to provide a separate definition of tow truck. In the Bill, as drafted, a tow truck was included in the definition of a commercial vehicle. With the implementation of the tow truck scheme in the metropolitan area, it is more appropriate that tow trucks be defined separately from other

commercial vehicles, especially as the definition of commercial vehicles covers a whole range of vehicles such as route buses, charter buses and so on.

The amendments were agreed to.

Mr CRABB (Minister of Transport)—I move:.

Clause 86, page 52, line 4, omit "eight" and insert "twelve".

This amendment will change the number of passengers referred to in the definition of a bus. The Bill, as drafted, represents a change from the *status quo* and implements a recommendation of the all-party Road Safety Committee. However, that change causes some difficulty to a number of municipalities that have brought small buses to seat twelve persons. Consequently, the amendment restores the *status quo.*

However, I put honourable members on notice that those recommendations of the Road Safety Committee will be implemented, but not until after consultation and more ongoing discussions, especially with those municipalities that will be affected by the change.

The amendment was agreed to.

Mr CRABB (Minister of Transport)—I move:

Clause 86, page 53, lines 3 to 8, omit all words and expressions on these lines.

This amendment deletes the definition of a special service omnibus which, consequent upon my foreshadowed amendment to clause 146, will no longer be required.

The amendment was agreed to.

Mr DELZOPPO (Narracan)—In his second-reading speech, the Minister said that the Bill introduces a new definition of commercial passenger vehicle. I had some difficulty in understanding what the change was to be.

Further, I ask the Minister to deal with hire and drive omnibuses, which are vehicles of a larger capacity than the average car and which are hired out for excursions such as picnics and tours.

I am perhaps instilling a personal note into the debate but it seems to me that a lot of people hire vehicles and take them into very dangerous situations. I have seen people hire vehicles and an inexperienced person drives 8, 9 or 10 passengers to the snow fields.

I know that it is a very awkward and difficult question but can the Minister give any indication of whether he contemplates or has considered any control over the situations I have just described?

Mr CRABB (Minister of Transport)—It is the intention of the Government that the Transport Regulation Board will enact regulations which will prevent persons other than authorized drivers from entering areas such as snow areas, whatever vehicle they might be driving. That is the appropriate way of handling the matter at present. That is not to say that an ongoing review of transport regulations is not required—it is. I am sure any honourable member who has tried to work his or her way through the Road Traffic Act, the Motor Car Act or associated Acts will agree that the situation could be considerably simplified. That is a project the Government has to tackle.

Mr DELZOPPO (Narracan)—The Minister did not answer my question. In his second-reading speech, the Minister mentioned a new definition of "commercial passenger vehicle". What is the difference between the new definition and the present one?

Mr CRABB (Minister of Transport)—After the amendment is made, I do not think there will be any difference. The Government is trying to maintain things as they are.

The clause, as amended, was agreed to, as were clauses 87 and 88.

Clause 89 (Determinations of policy)

Mr DELZOPPO (Narracan)—The clause deals with written determinations of policy in relation to the operation of this Part.

Clause 89 (2) states:

The Minister shall cause a copy of every determination of policy made by him under sub-section (1) to be served on—

(*a*) the Road Traffic Authority;

(*b*) the Metropolitan Transit Authority;

(*c*) the State Transport Authority; and

(*d*) the Tribunal—

and to be published in the *Government Gazette.*

That does not mention the Road Construction Authority. Is that an oversight or was

it thought by the Minister that it is inappropriate that that organization should be included?

Mr CRABB (Minister of Transport)—This part does not affect the Road Construction Authority.

The clause was agreed to.

Clause 90 (No compensation payable)

Mr DELZOPPO (Narracan)—Somewhere, a long time ago in the debate, the Minister mentioned compensation in respect of bus proprietors who were refused a licence to continue to operate. I think the Minister stated that the Government was prepared to be the buyer of last resort. In view of his accommodation of the points raised by the Bus Proprietors Association (Victoria) does the clause in any way impede what has already been mentioned to the House and the Committee?

Mr CRABB (Minister of Transport)—After some lengthy discussions with the Bus Proprietors Association (Victoria), we arrived at a decision that is acceptable to both the Government and the association. A later clause will ensure that the Government cannot cancel a licence for a touring or charter bus—that is, those operations not subsidized by the Government. In regard to the route bus services, as the Committee is aware, the Government is moving to a contract system from 1 July. The undertaking I have given private bus operators is that in the event of a bus operator not obtaining a contract and if none of his colleague operators wants to purchase the operation, the Government will agree to do so. That is the short hand description of a fairly complicated agreement. I had a letter somewhere which I cannot find at the moment which indicates the acceptance of the proposal by bus proprietors.

The clause was agreed to, as were clauses 91 and 92.

Clause 93 was verbally amended, and, as amended, was adopted, as were clauses 94 to 96.

Clause 97 (Who may prosecute)

Mr DELZOPPO (Narracan)—This clause sets out who may prosecute under the proposed legislation. A suggestion has been made by the Municipal Association of Victoria that it would be easier, so far as they are concerned, if this power were expressed in Part 7. That is the Part dealing with prosecution, enforcement and penalties. That would mean they would have a handy compendium of the penalties in the one section of the Bill.

I suggest the Minister may like to take up that matter while the Bill is between here and another place as a matter of convenience to those persons who will have to refer to the Bill in their everyday dealings.

Mr CRABB (Minister of Transport)—I am also conscious of the convenience of the Government Printer. I would be reluctant to have the Bill reprinted in order to have this Part included at a later stage. I have no answer on why it is included here rather than later in the Bill.

Mr DELZOPPO (Narracan)—Perhaps subsequent prints of the Bill might correct the matter.

The clause was agreed to, as were clauses 98 to 108.

Clause 109 (Driver to wear protective helmet)

Mr CRABB (Minister of Transport)—I move:

Clause 109, line 12, before "2" insert "Penalty:".

This amends a printing error.

The amendment was agreed to, and the clause, as amended, was adopted, as were clauses 110 to 121.

Clause 122 was verbally amended, and, as amended, was adopted, as was clause 123.

Clause 124 (Constitution of Tribunal)

Mr McGRATH (Lowan)—The Committee has now moved to a new division of the proposed legislation, namely, that related to a Road Transport Licensing Tribunal. Eighteen clauses are included in this division, commencing at clause 119.

Although I support the concept of a licensing tribunal, clause 124 makes provision for an application to or procedure before the tribunal to be heard by one member or by three members. Is it wise to allow one member of the tribunal to hear applications or conduct proceedings? I ask the Minister to comment on that question.

Mr CRABB (Minister of Transport)—The Government has tried to continue the processes currently followed by the Transport Regulation Board. Under this measure,

that board will no longer exist and the Road Traffic Authority will take over that function. As the operations of the board stand at present, one member of the board can hear matters. A great deal of the matters that come before the board are uncontentious, for example, renewal of taxi and bus licences. If three members were required to sit through all of that, they would be paid salaries and would not be effective. The system has worked well in the past and the intention is that the practice continue in the future. I am prepared to review the situation if there are circumstances where it is not working. It is better to carry on a fairly successful practice from the past rather than to change it at this time.

Mr BURGIN (Polwarth)—I ask the Minister whether the wording contained in the Bill is the wording that the Transport Regulation Board has operated under, in other words, are any changes taking place in relation to that wording. If that is the case, it would be wise, between here and another place, to determine what needs to be heard by one person and what needs to be heard by three persons.

Mr CRABB (Minister of Transport)—The same wording is not used. It cannot be because a tribunal will exist instead of the Transport Regulation Board. I assure the honourable member that the intention—it has been carefully considered—was to follow the proceedings of the past. This was the subject of fairly considerable discussion last year. As honourable members can imagine, the representatives of truck operators and taxi companies were interested in the way the tribunal should operate and there was consensus agreement that it should operate in this way.

The clause was agreed to, as were clauses 125 to 140.

Clause 141 (Public commercial passenger vehicles)

Mr DELZOPPO (Narracan)—This clause deals with an application for a commercial passenger vehicle licence and subclause (1) (*a*) and (*b*) state that:

(*a*) The Authority shall, subject to this section, grant a licence in respect of that vehicle; and

(*b*) The provisions of sections 142, 143 and 146 shall not apply in respect of the application and the licence.

I ask the Minister to explain this provision because, as I understand it, a private commercial bus proprietor making an application is subject to certain scrutiny, but a Government vehicle is not subject to the same scrutiny. I ask the Minister whether that is correct.

Mr CRABB (Minister of Transport)—That is not correct. The intention of the clause is to prevent anyone obtaining a licence to operate a route bus service unless they are operating on a contract from either one of the two public transport authorities. If one were to do otherwise, a chaotic situation would develop.

The Government has 200 buses operating in the metropolitan area and those buses do not have to go through the licence process. They are, by definition, licensed, but they must pass the same regulations regarding safety and other provisions as do non-Government buses. They do not need to go through a tribunal for it to be shown that they are owned by honest, trustworthy and reputable people.

The clause was agreed to, as was clause 142.

Clause 143 (Matters to be taken into consideration before grant or refusal of licence)

Mr CRABB (Minister of Transport)—I move:

Clause 143, page 74, after line 12 insert:

"(3) The Authority or the Tribunal shall not grant or renew a commercial passenger vehicle licence unless—

(*a*) the granting or renewal of the licence is consistant with any determination of policy made by the Minister under section 89; or

(*b*) the Minister has approved the granting or renewal of the licence notwithstanding any inconsistency with a determination of policy made by him under section 89.".

The intention of the amendment is to ensure that the authority or tribunal will not grant or renew licences that are inconsistent with a policy determination made under clause 89. The amendment is consequential on a clause already passed and is in line with similar provisions. It brings this section of the Bill into line with those provisions.

The amendment was agreed to, and the clause, as amended, was adopted, as were clauses 144 and 145.

Clause 146 (Cancellation or alteration of licences)

Mr CRABB (Minister of Transport)—I move:

Clause 146, lines 17 to 28, omit sub-clause (2) and insert:

"(2) Notwithstanding anything in this section, the charter or touring conditions attached to a commercial passenger vehicle licence shall not be cancelled or altered pursuant to this section except upon the application of the owner of the vehicle in respect of which that licence was granted.".

The amendment provides that a vehicle licence for a charter or touring bus cannot be cancelled, except upon the application of the owner. If the vehicle was unsafe, of course it would be cancelled, but as to the licensing process, there is no reason why the Government would want to cancel someone's charter or touring licence. The Government does not provide a subsidy and cancellation would have no impact on any other public transport services. The amendment results from discussions with the Bus Proprietors Association (Victoria).

The amendment was agreed to, and the clause, as amended, was adopted, as was clause 147.

Clause 148 was verbally amended, and, as amended, was adopted, as were clauses 149 to 155.

Clause 156 was verbally amended, and, as amended, was adopted, as were clauses 157 to 161.

Clause 162 was verbally amended, and, as amended, was adopted, as were clauses 163 to 175.

Clause 176 was verbally amended, and, as amended, was adopted, as were clauses 177 and 178.

Clause 179 was verbally amended, and, as amended, was adopted, as were clauses 180 to 195.

Clause 196 was verbally amended, and, as amended, was adopted, as was clause 197.

Clause 198 (Interpretation)

Mr DELZOPPO (Narracan)—The honourable member for Westernport is not the only honourable member who has an interest in passenger ferry services. The way that clause 198 is worded can only lead to trouble.

If the clause as worded is adopted, although someone will be licensed to conduct a regular ferry service from Stony Point to French Island and Cowes, that will not prevent other persons from "scooping the pool" during the busy periods of the year. I have had discussions with persons living on French Island and they have expressed concern that the only service and access to the island be maintained.

The inclusion in clause 198 (1) of the word "not" and the subsequent definition will make a rod for the back of the Minister of Transport. The Minister should act to correct the situation. There have been transport problems in the Westernport Bay area for a long time. Officers from the Ministry of Transport would be aware of those problems.

The Opposition is not prepared to move an amendment to the clause. However, the inclusion of the word "not" will mean the continuation of an unsatisfactory situation in the Westernport Bay area.

The situation could be further exacerbated by the fact that this morning the Minister indicated that it was his intention to reinstate the Stony Point rail line. When that rail line is reinstated, it could mean that some passengers who alight at the Stony Point railway station will want to take excursions to French Island. That will further compound the problem in the Westernport Bay area.

Mr CRABB (Minister of Transport)—One could call this the "Westernport Bay Memorial Division" of the Bill. It is the only place in Victoria that has this concern. I understand that it is a big issue to the community of French Island. However, it should never have turned into the problem that it has.

It is the intention of the Government to treat that regular ferry service in the same way that a bus service is treated. The Government will contract a ferry operator to provide a route service. Other persons are free to operate fishing trips or whatever other trips they wish to operate. It may cost the Government a few more copper coins than it does at present, but it will be worth it for peace.

The clause was agreed to, as were clauses 199 to 206.

Clause 207 (Regulations)

Mr CRABB (Minister of Transport)—I move:

Clause 207, line 33, omit "times" and insert "time".

Mr BURGIN (Polwarth)—Why does it prescribe "fees not exceeding $200" for this purpose rather than prescribing penalty units?

Mr CRABB (Minister of Transport)—The term "units" has been used in other legislation in regard to penalties but not in regard to fees. Penalty units have not been used in regard to infringement notices. Conventional wisdom implies it is all right to use penalty units when they are applied in the legal process, but it is not all right to use penalty units in regard to on-the-spot fines.

The amendment was agreed to, and the clause, as amended, was adopted.

Clause 208 (Interpretations)

Mr CRABB (Minister of Transport)—I move:

Clause 208, page 103, line 14, omit "possession" and insert "possession".

Clause 208, page 103, line 24, after "person" insert "appointed for the purposes of this Part by the Chief Commissioner of Police or a person".

Clause 208, page 103, line 26, after "to" insert "paragraph (*b*), (*c*) or (*d*) of".

The aim of the proposed amendments is to define and limit those persons who can be prosecution officers as those persons who can be appointed as such under the Road Traffic Act so that the proposed legislation will not permit someone to be appointed as a prosecution officer, which would not be allowed under the Road Traffic Act. The proposed amendments will bring the Bill into line with other relevant legislation.

The amendments were agreed to, and the clause, as amended, was adopted, as was clause 209.

Clause 210 (Service of parking infringement notices)

Mr McGRATH (Lowan)—Clause 210 (5) reads:

Notwithstanding the provisions of sub-section (4), the council of any municipality may by resolution fix a penalty of an amount not greater than $25 for parking infringements in contravention of section 555A of the Local Government Act 1958 and such penalty so fixed shall be the penalty prescribed for the purposes of this section in respect of such parking infringements occurring within the municipal district of the municipality.

The consultant's report to the Municipal Association of Victoria states that there should be no conflict in the Bill concerning the proceeds of parking infringements, as issued by municipal traffic officers, and that these should continue to be paid into the general account of the municipality. I ask the Minister to give an assurance that those parking fees, as prescribed and collected as a result of parking infringements, remain with the municipality and not be called on by the Minister at any stage.

Mr CRABB (Minister of Transport)—The honourable member raised a tempting suggestion. However, there is no intention of changing the position as it is at present in that municipalities collect their own parking fees. Indeed, these clauses are based on the present section 11 of the Road Traffic Act, and the officers in my department have already met with the Municipal Association of Victoria in regard to the comments of the consultant to ensure that everything is in order.

The clause was agreed to, as were clauses 211 to 215.

Clause 216 (Inspection of motor cars)

Mr DELZOPPO (Narracan)—This clause authorizes officers to request drivers to produce for inspection any licence, permit or document. The Victorian Road Transport Association wrote to me and asked, when this clause was being considered, whether anything could be done to alter the clause to take care of a situation where, for example, an annual permit is issued in respect of a truck or other vehicle. The association made the point that it is important that the originals should remain in the custody of the proprietor or the owner or the manager who has the responsibility for them. The association went on to say that in many areas of the law a copy is accepted as evidence.

Will the Minister make some provision whereby the original document, licence, permit or whatever, can be kept in the headquarters of a trucking organization, and that a certified copy be given to the driver to carry around with him. In a twelve month period, a licence will become soiled and damaged and the suggestion by the association is not unreasonable.

Mr CRABB (Minister of Transport)—Consideration was given to that suggestion. Given the fact that much of the traffic regulations are observed in the breach, one is reluctant to reduce in any way the rigidity of any of the provisions. We would certainly have some deep concern with truckies driving around with photocopies of licences rather than licences themselves.

However, there are practical problems if someone has a flimsy piece of paper that has to be carried around for twelve months. That problem is appreciated and we are looking at ways of meeting that situation in providing a two-part document; one that refers to the owner and one that refers to the vehicle, and the one in the vehicle could be of more durable construction than the paper issued now.

As honourable members know, we are working on the introduction of a plastic driver's licence this year and if that can be successfully established, it is a short step to have the same thing for many of these other licences, which are of lesser volume.

For the present circumstances, this provision is entirely a provision that exists at present under the Road Traffic Act, and if some importance is to be applied to it, that can be done in the ensuing months.

Mr DELZOPPO (Narracan)—I do not want the Minister to assume that I was suggesting that anyone could take a photocopy of a licence and use that in lieu of the original document. I was suggesting that a certified copy be used, as is done in other legislation. For instance, when a person applies for a passport he has to go before a justice of the peace who justifies the likeness on the passport with his likeness, and there is no reason why a photocopy of a licence or permit could not bear similar words and a certificate, stating that the original document has been examined and this is a facsimile of the original.

The clause was agreed to, as were clauses 217 to 235.

Clause 236 (New securities to issue to replace cancelled securities)

Mr CRABB (Minister of Transport)—I move:

Clause 236, lines 4 and 5, omit "upon making a request in that behalf".

Clause 236, line 13, omit "upon making a request in that behalf".

Clause 236, line 17, omit "(2)".

Together, these amendments are designed to simplify the procedures necessary to issue new securities, to replace cash securities of the former authorities or the West Gate Bridge Authority. It also makes provision for the rights of existing holders for interest on maturity dates being preserved. In most cases it is inscribed stock, and if it is an entry in a register, there is just the need to change the name on the front of the register. In some circumstances holders of stock have bonds and they would be issued with transport bonds instead of the ones they hold now. That is to their advantage, because it is to be anticipated that the new transport bonds are to be more marketable than a handful of Victorian Railway bonds that exist at present, and it is far better from our point of view on the question of administration.

The amendments were agreed to.

Mr CRABB (Minister of Transport)—I move:

Clause 236, after line 20 insert:

"(3) Notwithstanding anything in this Act, a person entitled pursuant to sub-section (1) or section 237 to be issued with new securities in place of any previous securities shall, pending the issue of the new securities, have the same rights benefits and advantages in all respects as he would have if the new securities had been issued.".

The amendment was agreed to, and the clause, as amended, was adopted.

Clause 237 (Holders of existing securities may request new stock to be issued)

Mr CRABB (Minister of Transport)—I move:

Clause 237, line 21, omit "(1)".

Clause 237, line 32, omit "may request the Agency to issue him" and insert "shall be entitled to be issued by the Agency".

Clause 237, lines 34 to 36, omit sub-clause (2).

These are part and parcel of the same amendments that have just been carried on clause 236.

The amendments were agreed to, and the clause, as amended, was adopted.

Clause 238 (Interest)

Mr CRABB (Minister of Transport)—I move:

Clause 238, lines 39 to 42, omit paragraphs (*a*) and (*b*) and insert "the interest payable shall include any interest accruing up to the day on which the stock was issued but not paid before that day.".

This amendment is consequent upon amendments that have been carried and ensures that bond holders' interest will continue to accrue across the day the stock changes hands.

The amendment was agreed to, and the clause, as amended, was adopted, as were clauses 239 to 245.

Clause 246 (Superannuation for officers transferred from Westgate Bridge Authority to Board)

Mr CRABB (Minister of Transport)—I move:

Clause 246, line 9, omit "is" and insert "would become".

Clause 246, lines 20 and 21, omit "remains an employee of the Board" and insert "is employed in an Authority".

Clause 246, lines 26 and 27, omit sub-clause (5).

The three amendments will facilitate the election by former West Gate Bridge Authority employees who last year were given the option to transfer to the State Employees Retirement Benefits Fund. Honourable members will recall that clause 1 allowed for this part of the Bill to come into effect backdated to last year to clear up the situation beyond any doubt.

The amendments were agreed to, and the clause, as amended, was adopted, as were clauses 247 and 248.

Clause 249 (Authorities need not fence)

Mr DELZOPPO (Narracan)—Clause 249 (2) states:

Notwithstanding any Act or rule of law to the contrary, an Authority to which this section applies shall not, unless the Minister so directs, be required to fence or contribute to the fencing of any portion of a railway, tramway or road and shall not be liable for any damage which may be caused by reason of any railway, tramway or road not being fenced in or fenced off but the Authority may erect and maintain such fences in connexion therewith as it thinks proper.

Will the Minister indicate whether that provision means that the Fences Act need not apply? If that is the case, why does the Bill not say so?

Mr CRABB (Minister of Transport)—There are circumstances in which authorities are owners and occupiers of property that properly ought to be subject to the Fences Act and it seems reasonable that they should pay their share of the fences placed between their properties and adjacent properties. It would send the Victorian Railways broke if it were to build double brick walls around the 8000 kms of railway lines. In the past, it has been found that flimsy fences get knocked down and the situation is worse than it originally was. However, this clause will not change the present practices and it will continue to allow fences or barriers appropriate to securing the safety of the community to be put up to the best extent possible within reasonable financial boundaries.

The clause was agreed to, as were clauses 250 to 252.

Clause 253 (Provisions as to by-law and regulations continued in operation)

Mr CRABB (Minister of Transport)—I move:

Clause 253, lines 30 and 31, omit "commencement of this Act" and insert "appointed day".

The amendment will ensure that the matters contained in this clause take effect from the appointed date of 1 July. The amendment is consequent upon changes made to clause 1 which provided three different commencement dates for separate parts of the Act.

The amendment was agreed to, and the clause, as amended, was adopted.

Clause 254 was consequentially amended, and, as amended, was adopted, as were clauses 255 and 256.

Schedule 1

Mr DELZOPPO (Narracan)—I direct the Committee's attention to clause 2 (5) of Schedule 1 which states:

A member who has a pecuniary interest whether direct or indirect in any matter to be considered by the Agency shall declare the nature of his interest at every meeting at which the matter is considered.

I have had some experience in local government where the matter of vested interest has arisen from time to time. The present

Government has taken steps to amend regulations relating to pecuniary interest. I find it strange that a person who is a member of an agency or authority, who is in the public gaze and will be subject to public scrutiny who could have a pecuniary interest in any matter before that authority or agency, only has to declare that interest. It would have been preferable, both for the community and the person who has the pecuniary interest, to refrain from voting on any matter that was before the chair in which the person had a direct or indirect pecuniary interest. I ask the Minister why this provision has not been made in the schedule.

Mr CRABB (Minister of Transport)—It is hard to envisage any of the people who compromise the agency having pecuniary interests of the type. I will address the matter that the honourable member has raised subsequent to the debate. It may be appropriate to give a Ministerial directive to that extent, but I have difficulty in imagining how those circumstances would arise. The agency operates in world-wide borrowing of money in lumps of $50 million at a time and I would be surprised if officers of the authorities had pecuniary interests of those dimensions!

The municipal analogy usually relates to owners of a house or block of land when planning or zoning considerations are in process. The job of the Victoria Transport Borrowing Agency is to issue stock in large lumps. It is difficult to envisage the situation mentioned occurring. However, I will take up the matter with my advisers and determine how it can be accommodated.

The sitting was suspended at 1 *p.m. until* 2.5 *p.m.*

Mr DELZOPPO (Narracan)—Before the suspension of the sitting, I drew attention of the Committee to Part I, clause 2 (5), of Schedule 1, and the Minister responded accordingly. I draw the attention of the Minister to a similar situation in Part II, clause 9 (5) of Schedule 1, which is identical to the clause discussed earlier. Will the Minister examine the clause as it applies to those authorities under Part II of the schedule?

Mr CRABB (Minister of Transport)—I am happy to give a similar assurance. The Government will examine the issue the honourable member has genuinely raised and take whatever steps are appropriate. I want to ascertain what is par for the course with respect to other similar authorities.

The schedule was verbally amended, and, as amended, was adopted.

Schedule 2

Mr DELZOPPO (Narracan)—I draw the attention of the Committee to Schedule 2, clause 1 (*b*), which provides particular powers of authorities subject to the approval of the Minister—

> To subscribe for or otherwise acquire, and to hold and dispose of, shares in or debentures or other securities of, a corporation.

The Victorian Road Transport Association wrote to me stating:

> It is noted that authority is given to each Authority "to subscribe for or otherwise acquire, and to hold and dispose of, shares in or debentures or other securities of a corporation". We do not believe that a Government Authority should have the right or power to buy into or wholly purchase other transport companies with whom they may be in direct competition.

Will the Minister advise how this power will be applied and could it, as the Victorian Road Transport Association put it, lead to nationalization by stealth?

Mr CRABB (Minister of Transport)—The intention of the provision is merely to allow flexibility in the arrangements that the authorities make. For example, at present the Victorian Railways Board has a joint pipeline venture with the oil companies and therefore has a joint interest in the pipeline from Altona to Somerton.

There are other circumstances we can envisage regarding private bus lines where, at the request of private bus operators, we have made provision for the potential at least for the State Transport Authority to purchase private bus corporations. It may well be that other circumstances may arise from time to time.

There is no intention on the part of the Government, nor would it be appropriate under the Bill, for these organizations to become holding companies for portfolio investment across the board. The powers can be applied only in the context of matters that are ancillary to the purposes and objectives of the authority. It provides more flexibility than at present and should lead to more efficiency.

The schedule was agreed to, as was Schedule 3.

Schedule 4

Mr CRABB (Minister of Transport)—I move:

Schedule 4, clause 2, after "discontinued" insert "(and the provisions of sub-sections (2), (3) and (3B) of section 526 and of sub-sections (1) to (6) of section 527 of the Local Government Act 1958 and the Twenty-Ninth Schedule to that Act shall, so far as applicable and with such alterations modifications and substitutions as are necessary, extend to and apply in the case of any road or part so discontinued.

The amendment is to ensure that the section of the Local Government Act set out in the amendment applies to the sale of discontinued roads. It facilitates the administrative action necessary and preserves the current situation beyond doubt that exists under the present Country Roads Board Act.

The amendment was agreed to, and the schedule, as amended, was adopted.

Schedule 5

Mr CRABB (Minister of Transport)—I move:

Schedule 5, page 138, clause 14 (2), omit "section" and insert "clause".

This is a correction of a printer's error. The word "section" has been used instead of the word "clause".

The amendment was agreed to.

Mr BURGIN (Polwarth)—I should like to make some further inquiries about clause 1 (1) (*f*) of the schedule which refers to "a stock route". Stock routes are also mentioned in sub-clauses (6), (7) and (8), and in sub-clause (6) it is provided that:

. . . in no case shall the Minister declare the carriageway of any State highway or main road to be a stock route.

In sub-clauses (7) and (8), instructions are given about stock routes. Can the Minister inform me how this is different from the previous situation and what the Government's intention is in regard to stock routes? Does the Government intend to provide routes over different areas of the State for the movement of stock, or are the provisions designed simply to keep stock off State highways and main roads?

I point out that on occasions stock must be moved on and across main roads, so I should like an explanation of the Government's thinking on stock routes.

Mr McGRATH (Lowan)—I should also like to make a couple of comments on Schedule 5. In the explanatory memorandum that was supplied to honourable members by the Minister's office, I notice that, as the honourable member for Polwarth stated, sub-clauses (5), (6) and (7) of the Schedule are reworded. They deal with the classification of various roads, including a freeway, State highway, main road, tourists' road, forest road or stock route.

Many honourable members would be aware that because of drought conditions during the last season many stock throughout Victoria were placed on roads to feed in better districts. At that time every road except a freeway was available to be used as a stock route. In most cases the local municipalities had control of the movements of stock in the municipalities. Most municipal councils have a by-law that provides that stock must move at least 9 kilometres a day in one direction. I do not know whether anything in the schedule will alter those regulations, and I join with the honourable member for Polwarth in asking the Minister for an explanation.

Mr CRABB (Minister of Transport)—I thank honourable members for their comments about stock routes. In the past 4 minutes I have learnt more about them than I knew when I came in! Suffice to say that the intent of the provisions of the Bill is to continue the arrangements that currently exist, which, to the best of my knowledge, are quite adequate for the purposes, in that I cannot remember anyone having complained about them in the past twelve months.

If the honourable members believe the present arrangements are not adequate and that some change should be made, that is a matter to which we should give fairly urgent consideration, but it is not a matter that I have yet considered. What the Bill provides for and intends is the continuation of the existing provisions. I do not regard the regulations or procedures of the Road Construction Authority as in any way different from those of the Country Roads Board in this regard.

Mr BURGIN (Polwarth)—The only additional point that seems to be involved in this Bill is that we are now talking about the Road Construction Authority having authority over all roads. The Country Roads Board imposes restrictions on highways and so on, and nobody is complaining about that—it is very sensible. All I was asking—and the Minister has answered the question in the way I expected he would—is whether the situation that applies to stock on normal country roads still applies.

The schedule, as amended, was adopted, as were Schedules 6 to 10.

Schedule 11

Mr DELZOPPO (Narracan)—This schedule sets out a long list of Acts that are being repealed. I am rather saddened to see that Act No. 7414, the Warragul and Neerim Railway Lands Act 1966, is being repealed, as it was my hope that the enthusiastic Minister might reconsider the reconstruction of the Warragul-Neerim South-Noojee railway. However, I take it that, with the passing of Schedule 11, that eventuality will not come to pass.

I also direct to the attention of the Committee the proposed repeal of Act No. 9418, the Transport (Roads Funds) Act 1980. The Committee will recall that this was the Act that enabled hypothecated funds raised by the Government from motor registration and fuel franchise to be applied to special projects of the Country Roads Board.

I remind the Committee of a commitment the Minister gave earlier in the debate that there would be no loss of revenue to municipalities from those sources as a consequence of the repeal of the Transport (Road Funds) Act.

Mr CRABB (Minister of Transport)—The repeal of the Warragul and Neerim Railway Lands Act does not by itself change the status of the Warragul-Neerim railway. It stays in exactly the same position as it is, and if at some future time this or any future Government decides to reopen that line or any other railway line, it can do so under the provisions of this Bill when it is enacted. I am surprised that the honourable member is more concerned about the Warragul and Neerim Railway Lands Act than he is about the Dookie and Katamatite Tramway Act 1897 which is also being repealed!

The repeal of the Transport (Road Funds) Act will have no effect on the distribution of funds, on which I have already given an undertaking.

Mr Burgin—I cannot see proposed in the Bill any repeal of the Act dealing with the line to Crow's, does that mean the line may be saved in the future?

Mr CRABB—I wonder where all those Acts have gone! I recall some years ago when the House put through a series of Bills for dismantling railways. One was for a line from Warrnambool, but before the Act could be repealed the House had to put through an Act to construct it, because it had been built without enabling legislation in the first place!

The Bill removes the need for these Acts, which go back to the last century. Although they are of historical interest, they are not of much use in the present circumstances.

The schedule was agreed to.

Schedule 12

Mr CRABB (Minister of Transport)—I wish to move amendments Nos. 65 to 105 inclusive *in globo*:

65. Schedule 12, page 151, before the entry relating to the *Border Railways Act* 1922 insert: "8520 *Albury-Wodonga Agreement Act* 1973.

In section 15 (9) for the words "Country Roads Board" there shall be substituted the words "Road Construction Authority".".

66. Schedule 12, page 151, in the entry relating to section 19 of the *Border Railways Act* 1922, omit "certifying" and insert "certificate".

67. Schedule 12, page 151, in the entry relating to section 19 of the *Border Railways Act* 1922, omit "certificate" and insert "certifying".

68. Schedule 12, page 151, after the entry relating to section 19 of the *Border Railways Act* 1922 insert:

'In section 19 (2) for the word "certificate" there shall be substituted the word "notice".

In section 19 (3) for the word "Board" there shall be substituted the word "Authority".'.

69. Schedule 12, page 152, in the entry relating to Part II. of the Second Schedule to the *Border Railways Act* 1922 omit the word "and" after paragraph (*a*).

70. Schedule 12, page 152, in the entry relating to Part II. of the Second Schedule to the *Border Railways Act* 1922 insert the word "and" after paragraph (*b*).

71. Schedule 12, page 152, after the entries relating to the *Border Railways Act* 1922 insert:

'9750 *Bourke Street Mall Act* 1982.

In section 12 (5) for the words "Melbourne and Metropolitan Tramways Board" there shall be substituted the words "Metropolitan Transit Authority".'.

72. Schedule 12, page 152, omit the entry relating to section 95 (2) of the *Constitution Act* 1975 and insert:

"In section 95 (2) the words "Railways Discipline Board" shall be repealed.".

73. Schedule 12, page 154, in the fourth line of the entry relating to section 31 (2) of the *Drainage of Land Act* 1975 before "the" (where secondly occurring) insert "or".

74. Schedule 12, page 155, after the entry relating to the *Extractive Industries Act* 1966 insert:

'In section 39 for the expression "section 50 of the *Country Roads Act* 1958" there shall be substituted the expression "section 42 of the *Transport Act* 1983".

7733 *Fences Act* 1968.

In section 19 (4) for the words "Railway Construction Board or the Victorian Railways Board" there shall be substituted the expression 'any "Authority" within the meaning of section 2 of the *Transport Act* 1983.

6254 *Forests Act* 1958.

In sections 77 and 99 (29) for the expression "*Country Roads Act* 1958" wherever occurring there shall be substituted the expression "*Transport Act* 1983"'.

In section 19 (3) for the word "Board" there shall be substituted the word "Authority".'.

75. Schedule 12, page 159, after the entry relating to section 2 (8) of the *Liquor Control Act* 1968 insert:

"In sections 41 (1) (*c*) and 41 (5) for the words "Victorian Railways Board" there shall be substituted the words "State Transport Authority or the Metropolitan Transit Authority"."

76. Schedule 12, page 159, omit the entry relating to section 41 (1) (*c*) and 41 (5) of the *Local Government Act* 1958.

77. Schedule 12, page 159, in paragraph (*d*) of the entry relating to section 198 (7) of the *Local Government Act* 1958, after "sixty" insert "of".

78. Schedule 12, page 160, in the entry relating to section 535 (10) of the *Local Government Act* 1958 omit "100" and insert "93".

79. Schedule 12, page 161, in the entry relating to section 569B (2) (*c*) of the *Local Government Act* 1958 before paragraph (*a*) insert:

"(*a*) for the words "or freeway" there shall be substituted the words "freeway or proposed freeway";".

80. Schedule 12, page 161, after the entry relating to the *Local Government Act* 1958 insert:

'8731 *Magistrates (Summary Proceedings) Act* 1975.

In section 11 (1) for the expression "Part II of the *Road Traffic Act* 1958" there shall be substituted the expression "Part VII of the *Transport Act* 1983".

In section 84 (6) (*d*) for the expression "sub-paragraph (i) of paragraph (*a*) of sub-section (3) of section 11 of the *Road Traffic Act* 1958" there shall be substituted the expression "section 209 (3) (*a*) of the *Transport Act* 1983".

In Schedule One—

(*a*) the expression "*Commercial Goods Vehicles Act* 1958. *Country Roads Act* 1958." shall be repealed; and

(*b*) for the expression "*Railways Act* 1958. *Transport Regulation Act* 1958. 'there shall be substituted the expression "*Transport Act* 1983".

In Schedule Two for paragraphs (*a*), (*b*), (*c*) and (*d*) there shall be substituted the following paragraph:

"(*a*) offences against the *Transport Act* 1983 (other than sections 105, 112 and 113) and the regulations and by-laws made under the *Transport Act* 1983".

6302 *Marine Act* 1958.

In sections 7B (3) and 7B (6) for the expression "Part I of the *Road Traffic Act* 1958" there shall be substituted the expression "Division 2 of Part VI of the *Transport Act* 1983".

6304 *Marketing of Primary Products Act* 1958.

In section 29—

(*a*) the expression "the *Railways Act* 1958 or" shall be repealed; and

(*b*) the words "The Victorian Railways Commissioners and" shall be repealed.'.

81. Schedule 12, page 162, in the entry relating to section 259 (1) of the *Melbourne and Metropolitan Board of Works Act* 1958 omit the "and" at the end of paragraph (*a*).

82. Schedule 12, page 162, in the entry relating to section 259 (1) of the *Melbourne and Metropolitan Board of Works Act* 1958 after paragraph (*a*) insert:

"(*b*) for the expression "Country Roads Board" there shall be substituted the expression "Road Construction Authority"; and".

83. Schedule 12, page 163, in the entry relating to section 32A (1) of the *Motor Boating Act* 1961 omit "220" and insert "211".

84. Schedule 12, page 163, in the entry relating to section 32A (2) of the *Motor Boating Act* 1961 omit— ' "(*a*) sub-sections (6) and (7) of section;

sub-sections (4), (5), (6), (7), (8), and (9) section 222 of the *Transport Act* 1983"

"and insert—

"(*a*) sub-sections (6) and (7) of section 210;

(*b*) sub-sections (4), (5), (6), (7), (8) and (9) of section 211; and

(*c*) section 213— of the *Transport Act* 1983".

85. Schedule 12, page 163, in the entry relating to, section 32A (2) (IV) of the *Motor Boating Act* 1961 omit "220" and insert "211".

86. Schedule 12, page 164, omit the entry relating to the insertion of a new section 3A in the *Motor Car Act* 1958.

87. Schedule 12, page 165, in the entry relating to sections 25 (4A), 25 (6), etc. of the *Motor Car Act* 1958 after "sections" insert "22AA (3),".

88. Schedule 12, page 166, in the entry relating to section 22B (3) of the *Motor Car Act* 1958 omit "220" and insert "211".

89. Schedule 12, page 166, after the entry relating to section 22B (3) of the *Motor Car Act* 1958 insert:

'In section 23AA—

(*a*) in sub-section (2) after the words "shall issue a" there shall be inserted the words "motor car";

(*b*) in sub-section (4) after the words "applicant has a" there shall be inserted the words "motor car";

(*c*) in sub-section (5) for the words "an endorsed" there shall be substituted the word "a";

(*d*) in sub-section (21) (*a*) before the expression "learner's permit" there shall be inserted the words "motor car"; and

(*e*) in sub-section (29) before the expression "learner's permit" there shall be inserted the words "motor car".'.

90. Schedule 12, page 167, delete paragraphs (*a*), (*b*) and (*c*) of the entry relating to section 25 (1) of the *Motor Car Act* 1958 and insert:

'(*a*) for the words "Board may" there shall be substituted the words "Authority may";

(*b*) for the words "Chief Commissioner may suspend for such time as he" there shall be substituted the words "Authority may suspend for such time as it";

(*c*) for the expression "Chief Commissioner (or, in the case of an application, the Board)" there shall be substituted the word "Authority";

(*d*) for the expression "Chief Commissioner (or, in the case of an application for a learner's permit or learner's endorsement, the Board)" there shall be substituted the word "Authority"; and

(*e*) for the expression "the Board or the Chief Commissioner (as the case may be)" there shall be substituted the word "Authority".'.

91. Schedule 12, page 167, in the entry relating to sections 25 (1), 25 (1A) and 25 (5) of the *Motor Car Act* 1958 omit "25 (1)".

92. Schedule 12, page 168, in the entry relating to section 27A (1) of the *Motor Car Act* 1958 omit "220" and insert "211".

93. Schedule 12, page 169, omit the entry relating to sections 33 (5), 36 (1), 37 (1), 37H (6) and 90 (3) of the *Motor Car Act* 1958 and insert:

'In sections 33 (5) and 36 (1) the words "or of the Transport Regulation Board" shall be repealed.'.

94. Schedule 12, page 169, in the entry relating to sections 37D (1), 37F (1), 90 (1), 90 (4) and 90 (5) of the *Motor Car Act* 1958 omit "90 (4) and 90 (5)" and insert "and 90 (4)".

95. Schedule 12, page 169, after the entry relating to section 35 (6) of the *Motor Car Act* 1958 insert:

'In section 37 (1) the words "or the Transport Regulation Board" shall be repealed.

In section 37F (1) the words "or the Country Roads Board" shall be repealed.

In section 37H (6) (*b*) the expression "an officer of the Transport Regulation Board" shall be repealed.

In section 37H (6) (*e*) the expression "officer of the Transport Regulation Board" shall be repealed.'

96. Schedule 12, page 170, in the entry relating to section 44 (1) of the *Motor Car Act* 1958, omit "2" and insert "3".

97. Schedule 12, page 170, after the entry relating to section 90 (2) of the *Motor Car Act* 1958 insert:

'In section 90 (3)—

(*a*) the words "any officer of the Transport Regulation Board" shall be repealed; and

(*b*) for the words "Transport Regulation Board or" there shall be substituted the words "or any officer of the".

In section 90 (5) the words "or any officer the Transport Regulation Board" shall be repealed.'.

98. Schedule 12, page 170, after the entry relating to section 92 of the *Motor Car Act* 1958 insert:

'In the Fourth and Fifth Schedules for the expression "*Road Traffic Act* 1958" there shall be substituted the expression "*Transport Act* 1983".

99. Schedule 12, page 170, after the entry relating to section 29A of the *National Parks Act* 1975 insert:

'In section 48 (4)—

(*a*) for the expression "*Country Roads Act* 1958" there shall be substituted the expression "*Transport Act* 1983"; and

(*b*) for the words "Country Roads Board" there shall be substituted the words "Road Construction Authority".'.

100. Schedule 12, page 171, in the entry relating to the *Port of Geelong Authority Act* 1958 before the entry relating to section 101 of that Act insert:

'In sections 66A (3) and 66A (6) for the expression "Part I of the *Road Traffic Act* 1958" there shall be substituted the expression "Division 2 of Part VI of the *Transport Act* 1983".'.

101. Schedule 12, page 171, after the entry relating to sections 46 and 141 of the *Port of Melbourne Authority Act* 1958 insert:

'In sections 90A (3) and 90A (6) for the expression "Part I of the *Road Traffic Act* 1958" there shall be substituted the expression "Division 2 of Part VI of the *Transport Act* 1983".

In section 90B (2) for the words "Motor Registration Branch" there shall be substituted the words "Registration and Regulation Bureau of the Road Traffic Authority constituted under the *Transport Act* 1983".'.

102. Schedule 12, page 171, omit the entry relating to section 55 of the *Public Service Act* 1974.

103. Schedule 12, page 175, after the entry relating to section 3 (2) of the *State Co-ordination Council Act* 1975 insert:

'In section 3 (2) (*p*) for the word "Director" there shall be substituted the expression "Director-General".'.

104. Schedule 12, page 176, in the amendment column of the entry relating to the *Superannuation Act* 1958 insert:

"In section 3 (1) in the interpretation of "Officer"—

(*a*) sub-paragraph (ii) of paragraph (*a*) shall be repealed; and

(*b*) paragraph (*d*) shall be repealed.

In the first proviso to section 20—

(*a*) after the word "department" there shall be inserted the words "or persons employed in the State Transport Authority";

(*b*) after the words "such officers" there shall be inserted the words "or persons";

(*c*) for the words "railways revenue" there shall be substituted the words "general fund of the State Transport Authority"; and

(*d*) the expression "and the provisions of section one hundred and eight of the *Railways Act* 1958 shall not apply with respect to any such payment or repayment" shall be repealed.

In section 24 (1) for the words "railways revenue" there shall be substituted the words "general fund of the State Transport Authority".

In section 32 (1) (*a*) (ii) after the word "service" there shall be inserted the words "or a deceased person employed at the date of his death in the State Transport Authority".

In section 46—

(*a*) in paragraphs (*a*) and (*aa*) of sub-section (1) for the words "Victorian Railways Board" (wherever occurring) there shall be substituted the words "State Transport Authority"; and

(*b*) in sub-section (5) for the words "Victorian Railways Board" there shall be substituted the words "State Transport Authority".

In section 48 (3)—

(*a*) in paragraph (*b*)—

(i) for the words "whether by the Victorian Railways Commissioners or the Board of Land and Works" there shall be substituted the words "in the State Transport Authority"; and

(ii) the words "in the railway service" shall be repealed; and

(*b*) in paragraph (*c*) for the words "Country Roads Board" there shall be substituted the words "Road Construction Authority".

In section 49—

(*a*) in sub-section (3)—

(i) for paragraph (*c*) there shall be substituted the following paragraph:

"(*c*) one shall be a contributor employed in the State Transport Authority elected by contributors who are employed in that Authority;"; and

(ii) in paragraph (*e*)—

(A) after the words "is not" there shall be inserted the words "employed in the State Transport Authority and is not";

(B) the words "railway service or the " (where twice occurring) shall be repealed; and

(C) after the words "are not" there shall be inserted the words "employed in the State Transport Authority and are not";

(*b*) in sub-section (6) the expression ';"railway service" has the same meaning as is assigned by the *Railways Act* 1958' shall be repealed; and

(*c*) at the end of the section there shall be inserted the following sub-section:

"(8) Notwithstanding any re-constitution of the Board effected by Schedule 12 to the *Transport Act* 1983, the Board shall be deemed to be the same body after as before the commencement of that Schedule and no act matter or thing shall be abated or affected thereby and the term of office of the members in office immediately before that commencement shall be in no way affected thereby.".

In Part I. of the Second Schedule the expression "Country Roads Board," shall be repealed.

In Part II. of the Second Schedule the words "The Victorian Railways Commissioners or of" and "Country Roads Board or of the" shall be repealed.

105. Schedule 12, page 176, after the entry relating to the *Superannuation Act* 1958 insert:

'8717 *Superannuation Act* 1975 In section 48 for the interpretation of "Railway service" there shall be substituted the following interpretation:

' "Railway service", so far as relates to any period before the commencement of Schedule 11 to the *Transport Act* 1983, has the meaning assigned to the expression in the *Railways Act* 1958 as in force immediately before that commencement and, so far as relates to any period after that commencement, means employment in the State Transport Authority.'.

In section 50 (4) paragraph (*b*) and the word "or" immediately preceding that paragraph shall be repealed. At the end of section 50 there shall be inserted the following sub-section: "(5) Subject to sub-section (4), notwithstanding the repeal of the *Railways Act* 1958 by Schedule 11 to the *Transport Act* 1983 any person who immediately before the commencement of that Schedule was ineligible to be appointed to a permanent office in the railway service because of the operation of section 149 (2) of the *Railways Act* 1958 shall continue to be so ineligible.".

In section 51 (4) (*b*) for the words "Victorian Railways Board" there shall be substituted the words "State Transport Authority".

I express my gratitude to the leading spokesmen for the opposition parties for enabling these amendments to be moved *in globo*. The reason we have so many of them is that the schedule to the Bill was nothing like the schedule that was supposed to have been brought into the Chamber.

The schedule contains not merely consequential amendments; the vast majority of its provisions refer to a change of name.

I draw the attention of the Committee to amendments Nos. 86 to 98 which relate to the Motor Car Act 1968. The amendments correct printing mistakes and are consequential and will also facilitate by subsequent administrative action the transfer of responsibility for the administration of those remaining parts of the Motor Car Act which are not now the responsibility of the Minister of Transport to be the responsibility of the Minister of Transport, which is consequent upon the amalgamation of the Motor Registration Branch and the Transport Regulation Board.

Some confusion has occurred through the Minister for Police and Emergency Services still being responsible for some sections of the Act although they are administered by the amalgamated Motor Registration Branch and Transport Regulation Board. Apart from that, the others are merely consequential.

Mr DELZOPPO (Narracan)—The Liberal Party does not oppose the amendments to Schedule 12. I take the opportunity of thanking the Minister of Transport for making documentation available to both the Opposition and the National Party with only one exception that was due to an administrative slip-up, the parties have been fully informed of the amendments proposed by the Minister. I thank the honourable gentleman for his courtesy.

Mr McGRATH (Lowan)—I endorse the remarks of the honourable member for Narracan. The debate has been a lengthy eight hours and I express the appreciation of the National Party for the consideration the Minister of Transport and his officers have given in drawing attention to new clauses, amendments and so on. I hope the desire of the Minister of Transport to create a more efficient public transport system, which is overdue, is achieved.

The amendments were agreed to, and the schedule, as amended, was adopted.

The Bill was reported to the House with amendments, and passed through its remaining stages.

ADMINISTRATIVE ARRANGEMENTS BILL

The debate (adjourned from May 24) on the motion of Mr Fordham (Minister of Education) for the second-reading of this Bill was resumed.

Mr MACLELLAN (Berwick)—The Opposition is in difficulty with this Bill. I contacted the Victorian Public Service Association and I have been advised by the general secretary that the association does not have any knowledge of the Bill. I have not been able to obtain the attitude of the association to the Bill, and in discussions, I have undertaken to ensure that the second-reading notes and the Bill are sent to the general secretary. Unfortunately, he is in some difficulty in that he is currently engaged in a series of ballot counts which require him as scrutineer to be locked into a room at the appropriate time. For those reasons, I suggest that at the suitable time the debate be adjourned.

It is possibly a Public Service Board rather than an association Bill but there is some concern to be expressed on its general principles. I raise one aspect which will give the Attorney-General an opportunity of considering it prior to any resumption of the debate. I refer to the need for at least a statement to be made by the Attorney-General that there will be no transfer of function where that transfer of function might lead to a clash of a quasi-judicial nature being combined with an administrative arrangement. I shall illustrate the point and I am sure the Attorney-General will be shrewd enough to understand it.

If there is a function of registration of people engaged in some section of industry, it may be inappropriate that the function is combined with some other areas of government where information prejudicial to the renewal of a licence or something similar may occur. There could be occasions when it would be inappropriate to combine two things together.

If the Bill is to facilitate the administration of prisons being taken from the Minister for Community Welfare Services, which appears to be the most likely change to occur in the future, and be placed in the Ministry for Police and Emergency Services, if the poor man is foolish enough to accept it, I suppose the officers of that service would still remain in their employment in their positions and there would not be more than a Ministerial exchange of responsibility.

However, if functions of a different kind were combined and there was a physical transfer of a section from one part of Melbourne to another or one part of country Victoria to another—for instance, the National Parks Service and Forests Commission perhaps being combined—there could be serious implications for officers of the relevant branches of the service. I know that the Act will apply only to the Public Service rather than statutory authorities and that is covered by the definition of department which in the notes on clauses means a department in the Public Service within the meaning of the Public Service Act 1974.

It is limited, but even in that area there could be difficulties. For example, if there is a combination of quasi-judicial function with administrative function becoming too close rather than having the distance of separation that would be needed for not only the appearance of impartiality but also the reality of impartiality. For instance, one would not want the watchdog of property of the Department of Property and Services combined with property dealing functions of departments, otherwise the watchdog is not effective. The watchdog role is in separation; it is independent and gives a second look at monitoring.

Mr Simpson—The watchdog provision works very well in the Department of Property and Services.

Mr MACLELLAN—That is what I am saying. Its separation is important. If it were combined into a department with the acquiring or selling of sections of other department properties, it would not be appropriate and that is where I am pointing out that some things cannot be put together with any good sense. I accept that it is not the Government's intention to do these things, but it should be clearly stated the sort of situations the Attorney-General perceives as being inappropriate so that guidelines are available for whoever may wish to consider the matter in the future and so that proposals are able to be made by which to judge it.

The Bill is a machinery measure and will achieve combination of change and flexibility. That flexibility needs to be spelt out.

The other matter of principle I wish to raise is the need for Parliament to be advised. Heaven knows, it seems singularly inappropriate that Parliament should be the last to know unless it is pounding through the *Government Gazette* to find the change or unless a public announcement is made. Of course, even some public announcements that are made by this Government do not get media coverage at all and honourable members do not want to find, on returning to duty after an Easter break or some other break, that there has been a change of administrative functions or responsibilities, or that one is still peppering the wrong Minister, writing to the wrong section or dealing with the wrong permanent head. I might add that the Victorian Public Service Association is likely to find itself not only dealing with a different Minister, or answerable to a different Minister in performing its duties, but it can also find itself dealing with a different permanent head. That is one of the difficulties that can arise and one only has to think of the many occasions on which people have had to be brought into the Public Service or change functions in the past to know the difficulties that have arisen for officers of the various departments and sections concerned.

I have already raised the point that the Victorian Public Service Association states that it has not heard about the Bill and that the general secretary has been very much involved in his own accounting procedures I presume, as a scrutineer. He is locked up for many hours, and apparently, he is able to speak to me only during his lunch break when he leaves the room. Presumably the room is locked and he is duty-bound to go back. I hope he will be able to express his views on that failure to consult. I should like to know the views of the association before the Bill is proceeded with in this House, and I have indicated to the general secretary that I would be making that approach.

There needs to be a clear statement of guidelines where it would not be appropriate for functions to be combined and I instanced those quasi-judicial registration functions being combined with administrative functions, where information might be prejudicial to renewal of licences or of the right to practise at some trade or hold some qualification. I emphasize the need for Parliament to be advised in advance of the changes so that, if necessary, the matter can be debated and be the subject of Parliamentary action so that the combination is not made without members of Parliament being aware of it. These are the matters I have raised. I respectfully suggest that, in view of the difficulties, the debate be further adjourned. I acknowledge that I have exhausted my rights, but, nevertheless, when dealing with clauses, I might be able to come back with the views of the Public Service Association.

Mr ROSS-EDWARDS (Leader of the National Party)—The Bill is very much a machinery measure and has the general support of the National Party. I must admit that I am surprised and a little disappointed to learn that the Victorian Public Service Association has not been consulted and that, not only has it not been consulted, but that it knows nothing about it. That seems to be a strange state of affairs. If that is the case, the association must be consulted before the Bill goes through Parliament. The Parliament owes a debt of gratitude to that organization because it has always adopted a responsible attitude in the handling of the affairs of public servants, which is something for which all honourable members have tremendous admiration. It is a most responsible union and it is a sad reflection that the more responsible the union, the less co-operation that takes place.

I should also like to repeat a matter put forward by the Deputy Leader of the Opposition. I ask the Attorney-General while the Bill is between this House and another place to write into this Bill a provision that honourable members will be advised when changes will take place. Perhaps that could be done by documents being presented to Parliament, or a provision for some other notification to members. Honourable members often hear that changes are to be made, but there is often uncertainty as to when they will actually take place. Recently a change took place to which no-one objected. That related to the rural finance responsibility being transferred from the Minister of Lands to the Minister of Agriculture. However, if one wished to find out the exact date on which that change took place, one would have to make a phone call and check from what date that occurred. I believe a procedure can be worked out and I leave the matter in the hands of the Attorney-General. If that is done, it will meet the requirements of the National Party.

Mr CAIN (Attorney-General)—I thank the Deputy Leader of the Opposition and the Leader of the National Party for their contributions to the debate. I shall examine the matters that have been raised by them, and, as I have indicated, I suggest the best thing might be that progress be reported at an early stage when the House goes into Committee, and that the matter be brought on again, perhaps tomorrow.

The motion was agreed to.

The Bill was read a second time and committed.

Clause 1 (Short title)

Progress was reported.

BARLEY MARKETING (AMENDMENT) BILL

Mr FORDHAM (Minister of Education)—I move:

That this Bill be now read a second time.

It makes a number of separate amendments to the Barley Marketing Act 1958. Details of the amendments are set out in the notes on clauses which accompany the Bill and I will therefore confine myself to the main points.

The Australian Barley Board was established as a joint marketing authority for Victoria and South Australia under complementary legislation enacted by the two States in 1948. It has continued since then by periodic renewals of three or four years at a time. However, the South Australian Act is currently being extended for a period of five years and similar action is proposed for the Victorian legislation. This is expected to provide advantages for the board in

developing longer term marketing strategies and financial arrangements. The Victorian Farmers and Graziers Association and the Victorian Maltsters Association support continuation of the Act for a five year period.

The other matters dealt with in the Bill are:

(*a*) Provision for the appointment of a deputy chairman;

(*b*) provision to enable the board to handle proclaimed produce;

(*c*) provision to enable the board to enter into futures contracts for hedging purposes;

(*d*) staggered terms of office for members of the board; and

(*e*) an increase in the penalties.

The present legislation makes no proviso for the appointment of a deputy chairman. The board has adopted the practice of having one of its members appointed as acting chairman by the Governor in Council in South Australia, after obtaining the approval of the Minister of Agriculture in both South Australia and Victoria, whenever the chairman is absent overseas or incapacitated. Clause 3 makes provision for the formal appointment of a deputy chairman.

Clause 5 amends the powers of the board by allowing it to market proclaimed produce and to enter into futures contracts for hedging purposes. The power to market proclaimed produce has been sought by growers in both South Australia and Victoria and, in this State, is supported by the Victorian Farmers and Graziers Association. The power of the board to market proclaimed produce will not extend so far as to require vesting of such produce, as is the case with barley. At this stage, there are no plans to proclaim any particular grain as produce for the purposes of the Act, and the relevant grower organizations will be consulted before any such proclamation is made.

The power to enter into futures contracts for hedging purposes is expected to be advantageous to growers and it is considered that there are adequate safeguards in that the board may enter into and deal with such contracts only in accordance with written guidelines that will be jointly determined by the Ministers of Agriculture in the two States. This principle is similar to the provisions inserted in the Wheat Marketing Act in 1982. It will provide flexibility for the board to protect growers against price and currency fluctuations over the selling seasons by hedging, but does not empower the board to engage in futures trading for speculative purposes.

Clause 6 increases the general penalty to a more realistic level and clause 7 deals with the continued operation of the Act. Clause 8 provides for staggered terms of office in respect of the members who are appointed or elected to take office on 1 September 1984, which is the date when all the positions next become vacant. The board consists of eight members, and provision is made for three members to hold office for a term of three years; three members to hold office for a term of two years; and two members to hold office for a term of one year. After that, the terms of office will revert to three year periods.

The provisions in this Bill are similar to the provisions in the South Australian Bill. The proposed legislation has been discussed by the Parliamentary Counsel in the two States to ensure that complementarity is maintained. I commend the Bill to the House.

On the motion of Mr MACLELLAN (Berwick), the debate was adjourned.

It was ordered that the debate be adjourned until Tuesday, June 14.

MINES (AMENDMENT) BILL (No. 2)

The debate (adjourned from May 24) on the motion of Mr Mathews (Minister for Police and Emergency Services) for the second reading of this Bill was resumed.

Mr EBERY (Midlands)—As I said last week during the debate on the question of the time allowed for consideration of this Bill, the measure consists of 147 pages and this places a strain on one's resources when endeavouring to study it. It contains a number of amendments that the 1982 Bill did not contain which also add to the difficulty of the Opposition in giving the measure the scrutiny it deserves.

Over the past 124 years there has been much rhetoric about the mines legislation and amendments to that legislation. In 1884 a Bill was introduced into this House to allow mining to take place on private land. I understand that over a period of 25 years

about 21 Bills were introduced and none of them passed the two Houses of the Colony at that stage. It is wise to provide a little of the history of the mining industry because one must understand that Victoria probably rose out of the gold mining industry. Many books have been written on the history of gold mining and gold mining has played a big part in providing the wealth of many countries; Australia was not an isolated case.

In 1851, five years before the Parliament in Victoria, it was decided to licence mines and keep gold won on a claim. The practice of registering gold buyers failed because of bureaucratic overview. The fees were too high and the administration was clumsy and unjust. The Eureka Stockade revolt occurred and the result was that miners obtained the right to peg a claim and that right was enshrined in the legislation.

Prior to the last election and since then, the Labor Party has made many comments about what it believes the right of the smaller miner should be. In 1965 exploration licences were introduced, and in 1975 amendments to the Mines Act gave the holders of exploration licences more rights within large tracts of land throughout Victoria. The problem did not become evident until the price of gold started to increase in the middle to late 1970s and the 1975 amendment to the Act ensured that holders of miners' rights had to seek permission from the holders of exploration licences before they were allowed to proceed.

Great concern has been expressed by small claim holders who have been put in an almost impossible position. They are unable to obtain approval from the exploration licence holders because the exploration licence holders do not have to answer a request by a miner's right claim holder for permission to peg work he wishes to explore, but the Crown Solicitor's opinion states that no regulatory power exists under the 1975 Bill. It was understood that it was necessary for miner's right claim holders to obtain permission from the exploration licence company.

If the Bill is not passed, there is no doubt that there will be less supervision if miner's right claim holders are allowed to work at their claims without conditions being placed on them. At present exploration licence companies and miner's right claim holders are permitted to occupy Crown land but are subject to certain conditions. The Bill is a fundamental change to promises made by the Labor Party prior to the election because it enshrines in the proposed legislation the provision that a miner's right claim is not valid until it is registered.

If a miner was to put four pegs in the ground and claim the plot, technically, he cannot work it legally until it is registered. That situation is a complete reversal to what was promised by the Labor Party prior to the election. At that time the Labor Party said it would enshrine the miner's right and give him greater opportunity of pursuing his interests but, with the introduction of the Bill, constraints have been placed on him, which I have outlined.

The emphasis of a miner's right since 1854 has been basically the right to mine, but under the interpretation of the Bill it is not a right until the pegged land has been registered. That means that if I believe I have found a workable ore body and put four pegs in the ground, I will not be able to say legally that it is mine until the plot is registered. This delay in claiming ownership of a mine allows for piracy and so forth to ensue.

I foreshadow that I shall move amendments to the Bill but at this stage they will be different because, as I understand it, again the Government is having difficulty with the time. The Minister in another place has mentioned that he believes because of the difficulty within the mechanism of bringing a Bill through with amendments in this place and then producing a clean Bill for the Upper House, it will take two days to produce, which means the Upper House will not have the second reading until the week after next. I appreciate the dilemma faced by the Government but it has been caused by the inaction of the Government in debating the Bill at such a late stage in this sessional period.

Another important matter is the depth limit. It is the first time a depth limit has been imposed on a miner's right claim. To my knowledge, there has not been a depth limit imposed in any State of Australia or anywhere else in the world. The limit is 25 metres within an exploration licence or an applied exploration application which has been forwarded to the Department of Minerals and Energy for a large area. The Bill

provides for the explorers to enter the claims for routine exploration. They are allowed to take samples but a sample is not defined.

The explorers also have the right or power to assess the value of any claim. If a sample is taken, it can be assessed, which gives the exploration licence holders the right to go on a claim. That is reasonable. The miner's right claim holders—even if at the later stage he wants to obtain a mining lease in that area, which is his right—would only be allowed to mine to a depth of 25 metres.

The exploration licence company can take the area around the miner's claim and, as the miner's right claim has a limit of 25 metres on it, the exploration licence company can apply for a mining lease around that area and mine under the 25 metre depth of the miner's right claim. That potential exists even if the miner's right claim holder discovered that ore body or minerals.

The exploration licence company can take samples but it can wait for the miner's right claim holder to do all the preliminary work and then take the claim away from him. Exploration companies are also concerned about vexatious miners. It is a matter of opinion what term is used when describing the non-bona fide operators—but exploration licence companies have carried out considerable work and spent large amounts of money looking for ore bodies and other minerals to then find that perhaps miner's right claim holders can obtain a parcel of land in an area which is considered to be a prime target. The exploration licence companies have little chance of extending their operations in that case because of a vexatious miner.

The companies that have exploration licences have been operating in the Argyle area of Western Australia, where the problem has arisen. Circumstances there are probably different and the ore bodies are different. The amendment that I foreshadow would give the miner's right holder the opportunity of going deeper into the earth and of furthering his interests in such an area.

Parliament should act swiftly if it is found that vexatious smaller operators hold up development in areas in which companies that hold exploration licences believe they can develop a lease and perhaps go to a mining lease under the Bill.

The Bill also provides for miner's wardens to undertake close scrutiny of illegitimate miners or miners who are not prepared to work their claims or are operating outside the conditions imposed. Under the Bill, the miner's right claim holder must operate for at least one day in fourteen, and I will make further comment on that point.

I emphasize that Parliament should act swiftly if smaller operators are not prepared to work their claims or if they take out claims merely to stifle development. It is important that the mining industry be allowed to develop and to ensure that its operations do not disturb the environment. I will pursue those matters later in my comments. I cannot over-emphasize the point that the Government must act if legitimate miners are stifled by those who set out deliberately to curtail the development of legitimate operations.

Guidelines are laid down in respect of compensation. Under the Bill, it is possible for claims to be deregistered and the compensation factor relates to the 25-metre issue. Compensation will come from the Consolidated Fund, subject to the Minister's approval. Where an individual finds, say, gold in an ore body and an exploration licence holder wants to pursue its activities, compensation should be paid to the miner's right claim holder who could argue that he found the body of ore and should be compensated. Without that type of philosophy, there will be no incentive for the smaller operator to prospect for gold. That has been the case over the past 120 years. Very often, it was the smaller operator who did most of the development work, and the Government should encourage that.

I want to touch briefly on the size of the sample, which is not defined. I give notice of an amendment to stipulate that the size of the sample should be 10 tonnes, and that could be extended, subject to the approval of the miner's right claim holder. In a case where an exploration licence holder wants to drill on a miner's right claim, 10 tonnes of ore is a sizable amount, but it is not an unreasonable amount. He could be allowed to assay that ore. The principle of a sample exists in legislation in other States where the size of the sample is not limited.

The Bill deals with the ownership of minerals on recovery, but that statement is too general. I invite honourable members to

consider reef mining and I ask: At what stage can the mineral be regarded as having been recovered? Is it when the ore is stockpiled? In reef mining, the ore body is taken out, stockpiled, transported to the battery, again stockpiled, crushed, amalgamated, collected, retorted and smelted. It is necessary for the Bill to define at what point the mineral is "recovered". The miner's right claim holder needs to have his legal ownership protected. Should it be protected from the place of natural occurrence?

Special conditions are laid down relating to particular claims. The principle is satisfactory but, in my experience, enormous problems can be created for the individual concerned. Special conditions have been imposed by the Department of Minerals and Energy on some of my constituents. I refer specifically to a Mr Kopacka of Dunolly, on whom conditions were imposed in respect of his sluicing operations.

Mr Kopacka has operated on a miner's right claim and has restored the land to a better condition than it was previously. Honourable members would find it beneficial to see what can be done to restore land which has been worked under of a claim.One often sees publicity about operators who have little or no respect to the enviroment and who use bulldozers to knock down the trees. Those people should not be allowed to continue to operate. Heavy penalties should be imposed on persons who operate outside the law.

Conditions should be placed on miner's right claims so that the environment is improved and better species of trees are planted. Many areas which have been mined during the past 100 years have been left in an unsightly state. Trees, such as yellow box, should be planted which would be of benefit to apiarists because the flowers of yellow box produce top-class honey. There is scope for improving the environment.

If, when a miner's right claim holder finished working an area, he returned the top soil and planted trees of a better species, the country would benefit as a whole.

As I was saying, Mr Kopacka was sluice mining under a miner's right claim but was limited to a depth of 3 metres below the natural surface of the claim. Gold in this area is about 5 to 6 metres under the ground so the conditions placed on Mr Kopacka were completely unrealistic. He was not allowed to excavate within 5 metres of the boundary of the claim.

Where does the Act give the Department of Minerals and Energy the power to impose conditions of that magnitude? The conditions imposed on Mr Kopacka were impossible. More common sense should be used when placing special conditions on a claim. No one will argue about special conditions so long as they are fair and allow the individual to operate his claim.

The Bill also refers to special conditions regarding the loss of a claim. A person must work a claim at least one day in fourteen and if he does not comply with the special conditions placed on the licence he can lose his claim, be fined $1000 and face criminal proceedings.

Conditions are very necessary, but one has to be careful to ensure that they do not reach a stage where they are impossible to implement. Conditions have to be imposed with a degree of responsibility.

Claim holders must get permission from the exploration licence companies in the first twelve months.

In the past, problems have arisen in obtaining approval from the exploration licence companies. A person made application, wrote to an exploration licence company seeking approval for a claim, but did not receive an answer. That went on for months. Eventually he asked me to find out where the company was situated. I was given the telephone number of a solicitor in Geelong who supposedly represented the company. When I telephoned the solicitor I was told that he was no longer handling the business but that the business was handled by a solicitor in Sydney. When I telephoned the Sydney solicitor I was informed that he no longer handled the business, that it was handled by a Melbourne solicitor. Finally when I rang the Melbourne solicitor he said he was handling the business. How can an individual follow up such a situation?

Prior to the introduction of the Bill the exploration licence companies did not have to answer a miner's right application so the application was automatically not approved because the applicant had to obtain permission from the exploration licence company. The example to which I referred was most

frustrating. Years can go by without a person getting permission to mine.

I propose to move an amendment during the Committee stage that will provide that obtaining consent in writing shall be for the term of that licence. Permission is deemed to have been obtained if the owner of the claim has requested the consent of the licensee by certified mail. That is a much better idea because otherwise a miner's right claim holder could say he had sent correspondence to the exploration licence company when in fact he had not. If the letter was sent by certified mail that would act as a safeguard for the exploration licence company. At least the company would know that a request had been made and a reply to the contrary in writing had not been received by both the applicant and the mining registrar within one month of the request being sent.

The exploration licence holder will then have to answer one way or the other. Again I point out that there are a number of exploration companies, Western Mining Corporation Ltd and CRA Ltd—that have been excellent in granting permission for a miner's right claim holder. One could not question the integrity of those companies on this matter. It should be made clear that any problems of people in the electorate I represent have not been the cause of companies that are working and spending a lot of money in Victoria. There have been many requests by miner's right claim holders that have gone unanswered, and that is extremely frustrating.

There should be flexibility on objections against heavy penalties, particularly regarding work requirements. No one has any objection to the heavy penalties for extremely serious breaches. It is not a valid argument to state that serious penalties should be placed on miners who have little care for the environment. There is every reason to keep those penalties at a high level because it is unacceptable, by today's standards, that any company or individual should be allowed to pursue activities without consideration for other sections of the community.

There must be some flexibility, because if a dam bursts on a miner's right claim, the holder could be injured. Under those circumstances the individual who has a claim should not be subject to the compliance which the Bill demands. It should cover illnesses or unavoidable occurrences, but it should be amended so that the intentional or deliberate non-compliance with conditions is dealt with. Under the measure, there would be a loss of the claim and a penalty of ten penalty points—$1000. The penalty can be quite considerable. An amendment should be introduced to allow flexibility.

A problem also exists with compensation relating to miner's right holders in which deregistration proceedings would take place whereby allowance would be made for an exploration licence holder to take over the area of land in question. The Minister shall consider whether compensation should be paid, but it is not mandatory. There must be some mechanism, even though the compensation payable may be minimal, to ensure that it shall be paid.

As to the interpretation of "occupation", there are some problems regarding what the term "occupation" means. For instance, does it mean that if I have a miner's right document in my pocket, I would be occupying this area? The wording of the measure is extremely loose. It is nonsense. If I went to the Melbourne Cricket Ground, would I be occupying that ground?

Mr B. J. Evans—Just because you are not on your farm does not mean you are not occupying it.

Mr EBERY—That is where the measure is so broad. If a person has a miner's right document in his pocket and goes on a picnic, what is he occupying? "Occupation" is a loose term and that provision of the Bill should be removed because it is not in keeping with what is a reasonable argument.

The Bill states that a reference to occupation of land for prospecting purposes under any miner's right is a reference to use for the purpose of prospecting of a miner's right. That is free roving. For example, am I supposed to be occupying the land which I am prospecting? I believe the reference in the Bill is complete nonsense and there is no point in retaining it. A provison relating to an invalid application for the registration of a claim states that fees shall be refunded on invalid applications. The Bill provides in detail elsewhere the other reasons for which a fee is to be refunded. There is no further expansion on what constitutes a valid application. Clarification is needed on the regulation-making powers regarding the

deposit. This is an important part of the Bill.

Clause 37 (1) (*c*) states:

(*c*) After paragraph (*b*) there shall be inserted the following paragraphs:

"(*ba*) requiring the payment of a specified amount of deposit or royalty to be paid by the grantee of such lease or licence or by the owner of a claim or the holder of a miner's right (whether in advance or otherwise) and the method of calculating or assessing.

What does that mean? What is a deposit or royalty? It does not refer to bonds because when a miner's right claim holder claims he is registered, bonds are placed on that area.

I do not know what this means. What will the deposit royalty apply to? The Minister for Police and Emergency Services should provide the House with an explanation.

Over the past ten years, the Land Conservation Council has made numerous recommendations on land use to the Governor in Council. Clause 4 (4) (*d*) refers to the Archaeological and Aboriginal Relics Preservation Act and provides that a mining or prospecting exception from certain lands will be granted only when the Governor in Council is satisfied that a significant archaeological and Aboriginal relic is known to occur. Indeed, clause 4 (4) (*f*) and (*g*), set out further exceptions from the occupation of certain lands by mining companies where, in the opinion of the Governor in Council, the area is a site that is sacred to Aboriginal people or is a site of social, cultural or religious significance to Aboriginal people.

It would be difficult to ascertain which areas in Victoria would be covered by that clause. Honourable members would agree that many areas in Victoria could be deemed to be of sacred significance to Aboriginal people. It is a sensitive matter. The only way in which the Government could overcome the potential problems of this clause would be to define those areas that are of social, cultural, or religious significance to Aboriginal people.

I know that many members of the Aboriginal community are often loath to claim areas as being of social, cultural or religious significance. However, the Government should act to define these areas to prevent any anomalies from arising.

If the foreshadowed amendments are not accepted, the Bill will create an enormous number of problems. The Labor Party has been attempting to come to terms with the problems of miner's rights. During the last State election campaign, many supporters of the present Government and Labor Party candidates spoke about the need for this Bill. However, the Government has failed to honour the promises it made during the last State election campaign. I refer honourable members to a Labor Party press release dated 14 August 1981, in which the Australian Labor Party spokesman on minerals and energy called on the then State Government to reinstate the miner's right to peg a small claim without obtaining the permission of the exploration licence holder. Indeed, the Australian Labor Party candidate for the Legislative Assembly electorate of Midlands claimed that a permit should not have to be sought. Futher, during the last State election campaign the Australian Labor Party candidate for Bendigo—the present honourable member—made a similar claim. I wonder what the honourable member is now telling his constituents? The Bill will not fulfil the promises made by the honourable member for Bendigo.

If the Government had honoured its promise, miners should not have to obtain permission from the exploration licence holder, and the Bill would not have been introduced.

If the foreshadowed amendments are accepted, they will improve the Bill. Responsible exploration companies have nothing to fear if the definition of depth limit is removed from the Bill. If non-bona fide miners make a nuisance of themselves by blocking the operations of an exploration company that has abided by the rules, the Government should legislate to overcome that problem. I do not know whether that will be a problem, only time will tell.

Mr B. J. EVANS (Gippsland East)—If I have one thing in common with the honourable member for Midlands on the Bill, it is a concern for the difficulties that the Bill poses.

The Bill is comprised of 147 pages of amendments to Acts that total 165 pages. That indicates the sheer quantity of amendments referred to in the Bill. Indeed, it is difficult to unravel the jigsaw puzzle by trying to fit the amendments into the original Acts to determine what effect the amendments will have.

Apart from this Bill, the House has dealt with a number of complex Bills. It is to be hoped that the persons interested in the Bill will appreciate the real difficulties that confront honourable members.

It is pointless for the Minister or anybody else to say that there has been legislation of this nature before the House on previous occasions and, therefore, honourable members should have done their homework on it, and that there are only relatively minor variations. It should be understood by the average person that one did the intricate homework involved in understanding legislation of this kind six months ago, but because the Government did not do a decent job on the Bill in the first place, that Bill did not see the light of day in this House. Having been bitten once before by mines legislation being introduced, when the Government, which introduced it, did not do its homework properly, one tends to wait and make a reasonable guess whether the legislation will get to the stage of being debated. Like everybody else, members of Parliament do not like wasting time on measures that are not going to be debated. I hope that is taken into account the next time the Government introduces a Bill and says, "You can agree to this because there are only minor variations to what we told you before". This is a ploy not peculiar to a Labor Government. It happened in the days of the Liberal Government; we were told that we need not worry about it, that it was only a minor variation.

One of the difficulties I have with this measure is that I am not anxious to facilitate members of the Opposition in being able to run around the countryside saying that the Liberal Party forced the Labor Party to reintroduce the miner's right when it was the Liberal Government that deprived the people of the miner's right. I invite members of the Opposition to study a Bill, which I think was introduced in 1975, when I made a plea about the value of the miner's right to the people of Victoria. Of course the Liberal Government had the numbers, just like the Labor Government has now and just because it has the numbers it thinks it is always right.

Mr Spyker—Of course we are.

Mr B. J. EVANS—The Labor Government is trying to point out that the Liberal Party, because it had the numbers back in 1975, was wrong. It was pointed out to the Liberal Government at that time that what it was doing was wrong and I am reluctant to give members of the Liberal Party the opportunity of going around the State and saying, "Look what we did; we forced the Labor Government to restore the miner's right", carefully avoiding the consequential comment, "We took it away from you in the first place".

As I have indicated, the Bill is very complex, and while the honourable member for Midlands dealt in some detail with the various clauses, my approach is that honourable members should be talking about the principles involved rather than the individual details, which should be handled in Committee. That long-established process is a wise one and one that should continue to be practised in this House.

It is therefore pertinent to make some comments about the general principles that the National Party espouses on this type of measure. The Bill deals with one of the fundamental rights that people, not only residents of Victoria and Australia, but people around the world, have maintained since the beginning of civilization. After all, the history of man in the long term is measured by his ability to deal with and manage and utilize minerals to serve his life style.

For example, primitive man was known as living in the stone age because he could make use of minerals only in the form nature created them and he had little ability to utilize minerals to his advantage. Then came the bronze age when he learned to utilize the softer metals, making weapons and tools that could suit his purpose. Then there was the iron age, and now we are in the atomic age, which is simply another stage of development of man's ability to make use of metals to serve his life style. Unfortunately, in most cases in every age of man, he has used his ability to make weapons not only to defend himself but to attack other people. That is one of the problems of our time that we have to resolve.

The use of metal, and access to metals, has been part and parcel of development just as it has been his right to catch a fish or to till the land for food. If we are going to restrict the individual's rights, we have to be careful of the way we do it. This is one of the basic complications.

The very real problem at the heart of this Bill how to resolve the right of the individual to be able to prospect for minerals, to be able to explore for minerals, and the rights of the Crown to own and possess the minerals, and the rights of the exploration companies to have sufficient security that they are able to justify the expenditure of very large amounts of money, particularly these days, which is necessary to discover and develop mineral resources. There is no question that the use of minerals is not only important to the individual, but it is important to the State and to the whole community, and we have to weigh up the right of the individual as compared with the rights of the Crown and the importance of this whole question in relation to the importance of the life style of the people of the country.

It could be argued from a materialistic point of view that minerals in the land are not much value even if we know they are there unless we can extract them and make use of them. It would not be of any value to the country if, somehow or other, we were able to detect that an immense body of gold was at some depth under this country, and we did not have the capacity to extract it and make use of it. Just the knowledge of it being there does not add to the wealth of the country. All those varying factors must be borne in mind.

In order to rationalize this question, it has been the practice of Governments in this country over the past approximately 100 years to facilitate the extraction of minerals by declaring minerals to be the property of the Crown, and therefore giving the Crown the right to authorize the exploration and exploitation of those minerals.

It is not only what this Bill does so far as mining is concerned that is a problem, but unless the Government is careful it can have ramifications which are much more wide ranging. In 1949 this Parliament passed legislation in relation to the Mines (Amendment) Bill which redefined the definition of "mineral".

The purpose of the amendment that Parliament considered at that time was to try to accommodate the problem that was arising in relation to building materials such as stone, clay and sand necessary for the building industry in a large city. In order to try to give the Crown some rights of access to known deposits of minerals and for people to be able to look at those sorts of minerals, an amendment was made to the Lands Act to redefine "mineral" which, to all intents and purposes, extended it to stone, clay, sand and common substances of the soil. So far as I am aware, that amendment was passed without opposition, but it had a rather dramatic side effect that was apparently not anticipated at the time.

The side effect was that it completely changed the rights that were conferred under a freehold title of land and, because of changes that were involved, it has led to a situation where a report of the State Development Committee on extractive industries on 17 November 1964 pointed out five different categories of land title. It would be appropriate for me to read the fairly short extract. It states:

> The five different categories of land title are:
>
> (1) Those for land alienated before 1 March 1892, in which the land was sold without any depth limit, and in which all minerals (including extractive substances) except gold, silver, uranium, thorium and petroleum, are owned by the landowner.
>
> (2) Those for land alienated between 1 March 1892, and the coming into force of the amending Act of 1949, in which the land was sold only to a certain depth, and subject to the reservation to the Crown of minerals (but not extractive substances) above that depth.
>
> (3) Those for land alienated between the coming into force of the amending Act of 1949 and the proclamation of 1951, in which the land was sold only to a certain depth, and subject to the reservation to the Crown of minerals (including basalt and granite but not other extractive substances) above that depth.
>
> (4) Those for land alienated after the proclamation of 1951, in which the land was sold only to a certain depth, and subject to the reservation to the Crown of all minerals (including all the extractive substances) above that depth.
>
> (5) Those for land in categories 2, 3, and 4 but to which Section 81 of the *Land Act* 1958 also applies, so that no compensation of any kind is payable to the landowner for any disability suffered by him as a result of mining or extractive industrial operations on his land.

I quoted those references to point out to the House that the measure is not just concerned with the problems of large mining companies or the prospector, but also concerned with the rights of land owners to the title of land that they hold. Many people who hold prior land titles are concerned about the effects the proposed legislation will have on their rights. I have had some difficulty in establishing what proportion of

the private land in this State is held under prior land titles. My impression was that it was a fairly small amount, but other colleagues have heard that it is in the region of 30 per cent.

I consider that figure is a bit high, but my efforts to check the matter in the time available have not proved fruitful to date. The matter has special significance where people are conscious of the value of having a title to their land under the old title system and by which they have rights of ownership over all but those few basic minerals that I mentioned a few moments ago. Difficulties are arising in the Latrobe Valley area, for example, where the Government has taken steps to reserve certain areas that were known to be coal bearing in years gone by. The problems are now arising in the periphery of those areas where it has become apparent that coal deposits are also present and the owners of those lands are naturally concerned that something to which they have legal ownership could be taken away from them without the due compensation they could receive.

Many people have an exaggerated idea of what a freehold title confers upon them. It was obvious that the Government itself was under some misapprehension about this matter when one heard so much about the freehold title of land for Aborigines being a form of recognition of land rights. If one examines the rights one has with a freehold title, one finds that they are being eroded rapidly. The different types of titles to which I referred a few minutes ago give a brief history of how the rights of ownership have declined over the years because of action taken by Parliament. One must take into account the views of those people and ensure that it is in the interests of the community at large that the rights of ownership of minerals lying in the land owned by people having a title under the prior lands system be clarified. It becomes difficult to assess precisely how those people should be compensated.

The question is double-sided. Firstly, it concerns whether it ought to be done. A strong body of opinion argues that there is nothing wrong with it. I indicate that that strong body of opinion is largely comprised of major mining interests which believe the mineral wealth of this country will never be properly explored and certainly will not be developed while these current rights exist with prior land. Parliament must make a judgment of whether in the first instance it is in the interests of the people as a whole that those rights should be directed away and, secondly, in that event it must decide what is a fair and just means of compensation to the owners of that land following the effect of the removal of those rights. Frankly, I have not made up my mind on these matters. I venture to suggest that the Minister has not made up his mind, because he has never heard of this before I mentioned it a few minutes ago.

I hope the Minister will agree that they are serious matters. No Government or Parliament should lightly take away from people something which they are legally entitled to own.

As I indicated earlier, much of the contention with the Bill centres around rights of the individual who may, in this instance, be designated as the prospector. I refer to the person who likes to go out with a metal detector or scratch around in the bush on a week-end to see whether he or she can chance upon something that will make a great deal more wealth than he or she already has. Over the years that is what it has all been about. Most of the large mining companies began from the work of prospectors. Sometimes the people involved may not have considered themselves to be prospectors, but came across a mineral of some kind. The most celebrated example of this is Broken Hill where someone stumbled upon a mineral outcrop which gave rise to the biggest industry in this country.

Everyone is entitled to dream that he or she may achieve the same objectives. As someone once said, we have run out of mountains to climb. The chances of anyone finding another Broken Hill today are diminishing compared with the situtation 100 years ago. We are all entitled to our dreams. Australia will be a sad country if people are denied the opportunity of testing their theories on a piece of land which may be mineral productive.

It will be sad if Parliament enacts legislation that will inhibit or diminish the rights of the individual so that he or she is discouraged from following that pursuit. I expressed those sentiments in 1975 when the then Liberal Government decided it

would virtually do away with the miner's right.

More than any other Parliament in the world, the Victorian Parliament had its origins in the right of the individual to prospect and earn a fortune out of the soil or achieve whatever luck it may have had in store for him.

I have tried to provide some basic principles to which the National Party adheres. During the Committee stage the National Party will speak about whether changes should be made to put into effect those principles. In so doing, members of the National Party will be balancing in their minds to the best of their ability and judgment whether the rights of the individual—in some cases—may need to be diminished because of the over riding rights of the whole community. These are difficult questions to resolve.

I trust the Government will appreciate that we need more time to sort out these aspects. Therefore, it may well be that our final decisions on various questions may not be made clear to Parliament until the Bill is debated in another place.

Mr KENNEDY (Bendigo)—It is with some pride that I take part in the debate because I represent a city which, along with Ballarat and a number of other cities, is one of the important historical gold cities in Victoria. The city of Bendigo would be inconceivable without the rich history of gold upon which it was based.

The history of Bendigo is evident everywhere one goes in the city and one can still see evidence of historic links with the past. One can see the impressive buildings and public places which have been created by the wealth brought by gold. It is no exaggeration to say that this State Parliament building woud have been inconceivable without the wealth which Bendigo helped to generate for the State of Victoria.

It is important that honourable members acknowledge the extremely hard work put into the Bill by the Mininster for Minerals and Energy in another place. He has shown considerable tenacity and patience in tackling a complicated set of issues. The Bill has not been dealt with in a short time because many issues are involved. The Minister tried to initiate discussions between all interested groups and, so far as possible, obtain some sort of consensus. This is not easy to achieve. Not everyone will be totally pleased with the Bill; some people will be pleased with many aspects of it. If one achieves consensus on the Bill, that is a significant achievement.

I am interested in the atmosphere in this Chamber today compared with the atmosphere that existed in this Chamber in December 1981. When I visited this place as the candidate for the seat of Bendigo at that time with the then candidate for the seat of Midlands, Mr Allan Calder, the Chamber was shot with tension.

The State Parliament and the people of Victoria had been subject to an extraordinary charade. The former Government at that time had introduced a very important, liberal and progressive Bill. However, the Bill was suddenly shelved. It was then decided that the Bill should be reintroduced.

Mr Ebery—That is not right.

Mr KENNEDY—The honourable member for Midlands ought not to be too carping on this subject because his reputation leaves something to be desired. If the honourable member continues to interject, I will remind honourable members of this.

The ACTING SPEAKER (Mr Stirling)—Order! The honourable member should ignore interjections.

Mr KENNEDY—As I said, the Bill was reintroduced into the Legislative Assembly and a debate took place. A most extraordinary set of events occurred. The Bill was transmitted to the Legislative Council, but it was killed before it got there. The Bill was never debated in the Legislative Council.

In December 1981, all political parties in the Legislative Assembly supported the Bill. When it was transmitted to the Legislative Council, the National Party and the Liberal Party sided up and killed the Bill. That was the end of it. At the same time, some discussion took place about whether the Bill would be brought back in the New Year.

Mr Ebery—You are wrong.

Mr KENNEDY—My memory is not too bad. A number of promises were made by sitting members, but the Bill was not reintroduced because no session took place until after the election in 1982.

A significant public meeting was held in Castlemaine in February initiated by the

Prospectors and Miners Association of Victoria Ltd. It was one of the major meetings in the history of Castlemaine and surrounding districts. Approximately 700 people attended to express concern that the proposed legislation had not gone ahead. Nevertheless the proposed legislation did not proceed, an election was held and the Labor Party was elected to office. From my point of view, at that time the Mines (Amendment) Bill was a significant factor in the Labor victory throughout the State, particularly in Bendigo. This was not only because of the way in which the former Liberal Government handled the matter, but also because the Government of the day was not capable of sticking to its decision. Many interested groups had been fobbed off with shoddy treatment. The honourable member for Midlands came within a hair's breadth of losing his seat.

The Labor Party, having been elected to office, has put a lot of work into the Bill. Many people would like to have had the Bill introduced earlier, but it has taken a lot of work and concentrated effort to draft the measure. Soon after the election, the Mining Advisory Committee was reconstituted. Starting with the 1981 amendments, the committee was asked by the Minister for Minerals and Energy to make recommendations on matters on which it could agree within the framework of over-all Government policy.

After four months, a rough draft of the Bill was approved, which was taken back to the committee and a lot of negotiations and discussions occurred. This is why, anyone in politics has to work hard and consistently. It is no use presenting flimsy legislative measures, because they will not get through Parliament.

Discussion has ensued with those in the mining industry and those with planning, conservation and Aboriginal interests. As a result, in December last year, a Bill was introduced to Parliament and it was decided that, because of its significance, it would be held over to give community groups further opportunities to contribute to the measure. Several submissions were made, which led to the introduction of the new Bill in this form. The Minister for Minerals and Energy has done an excellent job. Those contributing to the measure who have tried as generously as possible to come to reasonable compromises should be congratulated on this rather difficult issue.

The honourable member for Midlands has made no substantial criticism of the Bill. Over the period since the original Bill was introduced in December last year, I am aware in Bendigo of no substantial criticism by Liberal Party members of the Bill and there has been no substantial criticism made by Liberal Party members in Parliament. When the honourable member for Midlands gave his address, there was no fundamental disagreement with this Bill. There were points about a depth limit, and so on, but overall it would appear that the Opposition is satisfied with the proposed legislation, and that is a good reflection on the way in which the Government is handling these issues.

A number of modifications have been incorporated into the final measure. For example, about 40 policy changes were made on minor issues that were raised by many people who made submissions to the Government and technical and machinery matters have been polished up. There is still further work to be done, as the Minister indicated, and this will occur later. The overall approach of the Labor Party to this issue has been to try to achieve as much as possible a spirit of compromise and co-operation.

The Labor Party set out to do three things, and it is fair to say that the Labor Party was elected on those three things: It set out to restore and enshrine the miner's right, to protect the areas of special interest of exploration licence holders and to take steps to protect the environment. That is not a bad handful of tasks and they have not been badly managed in the meantime. There have been significant achievements.

The Labor Party has tried to be as fair and as reasonable to all parties involved as is possible and forward steps were achieved. I freely admit that there will be disagreements on whether the Government went too far or not far enough on a number of issues. It is hard to be completely satisfactory when one is dealing with a number of interests.

From the point of view of the prospector and small miner, there have been significant advantages. For example, claims may be of 1 hectare, or up to 5 hectares, with the Minister's approval. The Government is

aiming to make the small miner's tenement as viable as possible for him. The claim will last for five years. It is renewable and transferrable. The owner of a claim has the right to construct buildings and, as the Minister indicated, the owner has the right to construct a dwelling for himself on the claim. Some small miners are unhappy with some arrangements but, overall, it would be conceded that there are significant gains for them.

The second group to be handled sensitively is holders of exploration licences and the Government has tried to maintain a balance between a large number of people who, as the honourable member for Gippsland East said, wish to try their fortune at prospecting in a small way and perhaps earn an income and enjoy a way of life as a miner and those groups which, in some cases, inject substantial sums of money into exploration. I refer to substantial bona fide exploration companies rather than those which may sometimes be seen merely as occupying the land with a view to denying it to others for various purposes of their own rather than operating on a long-term basis for substantial and further development.

There are significant gains also for exploration licence holders and their role in the development of the State's mining resources. After a certain time this year, those exploration licence holders who have held a licence over a period before 14 December last year will be required to satisfy the Minister on those areas which they classify as areas of special interest. They will be required therefore to jettison those areas of land, which will then become available for people to peg without consent. By the end of the year, a substantial amount of territory will become available for prospectors and small miners without the need for the consent that has been exercised in the past, almost absolutely, with very few restraints.

That is a significant development and opens up a considerable territory. Development may take place in the sense of small miners having a go or eventually more exploration companies coming in. What has been the dead hand of the exploration company over the State of Victoria has now been broken and there will be more room for competition and enterprise for those who are prepared to have a go. The basic principle is: If one is not prepared to develop, one must remove oneself and let those who want to develop it do so.

Those exploration licence holders who obtained exploration licences since 14 December last year and new exploration licence holders, will be given the power to grant or withold consent over their land for the first twelve months. While many persons will dislike that provision and will say that there should be complete freedom for the small miner and prospector, there are other interests at stake that the Government has tried to reconcile as effectively as possible.

The fact is that over recent years, under previous Governments, the exploration companies have had total and absolute power to blockade any person who wanted to stake a claim and start a mine on land that is under an exploration licence. There is a vast difference between that situation and the new situation where a new exploration licence holder will have that power only to grant or withhold approval for twelve months.

There are other significant developments. The measure, while it provides some definite protection for both the small miner and the holder of the exploration licence, is also aimed to stimulate general resource development, especially development that is subject to a far higher financial covenant.

The Government has done something significant in cutting back the size of the giant empires and the control exercised by exploration licence holders. There will be smaller exploration licence areas, ranging from 0·25 square kilometres to 500 square kilometres, and there will be a new scheme of fees and compulsory relinquishment of licence areas. Those who have held those areas over the years without hindrance will now be compelled to discharge portions of that land under the exploration licences.

It is 25 per cent for the first two years and, if the licence is for four years, it is 60 per cent. That is a significant development indeed.

The Government has struck some criticism of its policy on the depth limit of 25 metres, and I believe the Government's point of view should be borne in mind. The Government hopes to find an area of amity

from people who are alluvial gold seekers and those who wish to mine deeper than that. The 25-metre depth limit will not affect a great number of people, although I concede that others will want to go further than that. In that case, the Government has a mechanism which is worth noting. It is a simple mechanism that will make it possible for an owner of a miner's right claim on a territory subject to an exploration licence to go to the mining warden and put his case. He is able to go to him and say that he believes it to be unfair that he is limited to 25 metres and that he should be able to go deeper. The case will then be heard by the mining warden and referred to the Minister. There may be a strong objection that, in principle, there ought to be no restraint whatsoever on the holder of the miner's right to dig as deep as he likes. However, the Government has aimed to introduce elements of compromise between the various interests in gold.

Clause 14 (10) states:

On application under sub-section (9) the mining warden after hearing the applicant and the holder of the licence and if he is satisfied that the present or projected operations of the owner of the claim would not reasonably be likely to be able to be carried out unless mining at a greater depth than 25 metres below the surface is conducted and that the area in respect of which the application for hearing is made is available for inclusion in the claim shall report to the Minister and may make recommendations concerning the depth limitation to which the claim should be subject, and the Minister after considering the report and any recommendations of the mining warden and any submissions to him by the owner of the claim or the holder of the licence may make an order in respect of the whole or part only of the land which the application under sub-section (9) relates extending the depth to which the owner of the claim may work the claim, and the registration of the land as a claim shall be varied accordingly but at a hearing under this sub-section and in making an order or recommendation under this sub-section the Minister and the mining warden shall have regard only to evidence or submissions produced by the owner of the claim or the licensee which is or are relevant to the grounds on which the application under sub-section (9) is made.

Therefore, a mechanism is provided for an appeal to be made to the mining warden and then to be passed on to the Minister for the depth limit of 25 metres to be extended. It is the Government's view that that is a reasonable depth to tackle what can be a difficult situation with the competing interests, between the small miner/prospector and the larger exploration licence holder. A number of significant steps forward have been taken in this measure.

I do not wish to go into great detail about the third point, I emphasize that an energetic approach has been made by the Government in introducing this measure. It is attempting to protect, so far as reasonably possible, the environment in mining areas. There are certainly a number of provisions in the measure which have those specific aims.

Many discussions have taken place with people involved in the conservation and planning fields and those concerned about Aboriginal interests to try to reconcile the competing interests as much as possible and to bring some sort of consensus to planning for future development of mining in Victoria.

Mining will be prohibited in particularly sensitive areas and, generally speaking, the Government will be following the recommendations of the Land Conservation Council on this matter.

Changes are to be made to enable the Governor in Council to step in when a situation arises on areas of enviromental sensitivity, or where there are Aboriginal relics or areas of special importance to Aboriginal people. There is a significant new range of bonds and conditions on various mining tenements with regard to rehabilitation and preservation of the environment. That role of planning for mining development, particularly from the conservation and enviromental points of view, would be played by the Mining Consultative Committee, which will consist of six members. The Bill states:

The Committee shall be appointed by the Minister and shall consist of six members of whom—

(*a*) one shall be appointed to be Chairman of the Committee;

(*b*) one shall be a person having knowledge and experience of matters relating to persons working in the mining industry and related industries;

(*c*) one shall be a geologist;

(*d*) one shall be an engineer with experience in the mining industry;

(*e*) one shall be a town planner; and

(*f*) one shall be a conservationist.

Therefore, it is a fair and reasonable attempt on the part of the Government to tackle an

issue which has proven to be, as a matter of historical fact, difficult to handle in Victoria. The Government has had to recognize the significance of the economic interests involved. Nobody could ignore the economic influence that can be brought to bear by the exploration licence holders. Anyone who has studied the amazing events of December 1981 in this Parliament, when the legislation was shot down, knows only too well just what sort of influence and power can be exercised by big power and big money. The Government has tried, as far as possible, to reconcile those interests with a wider range of interests in the community. The Government hopes that it has been a useful and valuable exercise in co-operation and consultation with the groups involved. I am keen to see this proposed legislation working and I am particularly keen to see further economic development taking place in Bendigo and the north central areas of Victoria. Our aim will be to maximize economic activity and to bring about generation of more employment opportunities.

There is certainly significant potential in that area for economic activity and if further steps can be taken to encourage mining, which has been the Government's overall approach, that will occur. I believe the Government has done an extremely good job in handling the measure and I certainly wish the Bill well.

Mr F. P. SHEEHAN (Ballarat South)—I have a particular interest in this Bill because it concerns the electorate I represent to a large extent. There is a great deal of interest in that area because it has been well known as a gold mining area and there has been much interest in the district in gold mining. Although my interest has been heightened over recent times, my experience in gold mining is limited. Nevertheless, because of the area I represent, it is of special interest to me, particularly the gold mining aspect. As the honourable member for Bendigo indicated, this Bill is designed to make some important changes, and it has done so. We all know that, given the type of measure it is and the subject that is addressed in it, there will always be difficulties in making everyone happy. In fact, that is impossible. However, the measure goes a long way towards overcoming some of the anomalies that have existed over a long period.

This measure is a good attempt at making it easier to revise the gold mining industry and, in the area I represent, a number of people have visited my office expressing concern about the question. In one instance, a person was quite prepared to try to get going but was finding that a number of difficulties was being placed in his way. Not all of them were as a result of the Bill—some of them were administrative—but the whole question of the redrafting of the Bill has created an atmosphere in which it has been difficult to work. For that reason, I endorse the points made by Mr Reid, a member for Bendigo Province in another place, in wishing the Bill to pass readily so that things can be tidied up as quickly as possible.

Over the years that the Mines Act has been in operation it has been somewhat ravaged by that time, in the sense that nothing much has been done until recent times—in fact, recent months—on the revamping of the legislation. A number of people have commented to me that the Act is archaic and that it is not suitable for modern conditions. As I have indicated, the Bill generated much comment from interested groups and there has been difficulty in balancing the diverse needs of those groups and the various arguments put forward to sustain their points of view. It was necessary to balance the views of the large mining companies and the smaller operators. In addition, the views of fossickers have been put forward, some of whom are now in the habit of using metal detectors, as well as the views of other groups.

In the past the larger companies have exploited the situation. I do not mean exploitation by over-use because the contrary is the case. Those companies have under-used their rights and under-used the large tracts of land available to them. During the discussion on the Bill, they have made attempts to maintain their control, but other sectors have taken up the argument in opposition.

The principles of the Bill redress that anomaly to an extent. Although the miner's right may not have been enshrined as some people would like it to be, it has been replaced in such a way as to make it workable. In the discussions with various people during the consultation stage of this Bill, I

have been able to make an assessment that it will be necessary to monitor continually what is happening in the areas of the miner's right, the development lease and the mining lease. Although the second-reading speech refers to negotiated agreements between the exploration licence holders and people who might have miners' rights claims over the area, it will be necessary for some monitoring to occur, and this will require the close attention of the people charged with that responsibility.

Much discussion has taken place about the 25 metre limit because of the deep leads that exist, particularly in the area that I represent. It will be necessary for people who have middle type operations to apply for extensions at the outset. The Bill provides in areas such as the one represented by me for these people to avail themselves of the opportunity of going deeper. The final stage rests with the Minister. Ministerial discretion is available within the development lease stage where rental requirements can be reduced or, in some cases, waived, if such requirements could prevent development taking place. A small group in the area that I represent is prepared to develop a section of land and is having some difficulties, mostly administrative, and has pointed out that fact to me.

The Bill addresses fairly well the question of enviromental expectations. In these modern times, a greater expectation exists than in the past that the environment will be cared for. Again the Government has had to balance the requirements of those who would have the environment untouched, as it were, and those who would exploit the land for commercial and economic gains for themselves and the whole State. There is a fine balance between the two extremes. The lifestyle of the modern community requires that one sector should not impose its will on the other sector in regard to the environment.

This measure is a genuine attempt by the Government to overcome the anomalous situation of recent times. Large companies have virtually taken control of the mining in this State. The interests of those groups have been balanced against the interest of others whose economic circumstances prevent them from spending the same amounts of money and yet have the right to be part of this mining activity. I realize that a number of people take exception to several provisions of the Bill. I have spoken to the Minister's advisors on a number of occasions on those points of opposition, and I hope that, when the Minister has sought further advice, one or two of those points will be redressed between the time when the Bill passes through this place and is discussed in another place.

The Bill has gone a long way towards redressing the anomalous situation and problems that have existed for a long time in what is really an archaic Act, in cleaning up the disarray and tightening up the organization and it will be of benefit to the commercial and economic positions of this State.

Mr MATHEWS (Minister for Police and Emergency Services)—The attempt at amending the Mines Act, which the previous Government made in the dying months of its life came to grief on the complexity of the issues involved and on the impossibility—as it was then conceived—of reconciliating the conflicting interests concerned. The Parliament and I think all of its members are the wiser about the uses and possibilities of the consultative process as a result of the months which have intervened between that fiasco and the introduction of this Bill. No legislation previously introduced into this Parliament has been the subject of so intensive a consultative process as has gone into the production of the present Bill.

In all honesty, I pay tribute to the previous Government for its attempt, unsucessful as it was, at reconciling the issues as it perceived them to be at the time the original Bill was introduced.

As other speakers have indicated, the present Government spent the best part of its first year in office consulting widely with all those groups and individuals in the community who felt they had an interest in changes involved with the Mines Act. The initial process of consultation led to my introducing a Bill in the last weeks of the sessional period prior to Christmas. The Government indicated it would allow the Bill to lie on the table over the Christmas period and the first weeks of the New Year so that there would be yet again a further opportunity for interested parties to have their say.

It is a matter of record that a great many people came forward with further suggestions which the Government was glad to take into consideration and to embody in a number of amendments. It would have been possible immediately this sessional period resumed, for the Government to have proceeded with the draft Bill which had been introduced in December on the basis of the large number of amendments to it which had been drafted in the upshot of the final round of consultation. But, respectful as ever of the interests of the House, the Government elected instead to withdraw the Bill and redraft it so that it could be introduced in the form in which honourable members now have it and on the basis which will allow it to proceed without any further amendments being moved by the Government.

I pay tribute to the spirit in which the debate has been conducted today. The Government is indebted to the honourable member for Gippsland East for his clear exposition of a number of important principles associated with the proposed legislation. Similarly, the honourable member for Midlands did not approach the debate in the negative spirit which so often characterizes opposition tactics in any Parliament in the Westminster system. The honourable member chose rather to put forward, in all sincerity, a number of suggestions which he will subsequently embody in a number of amendments that he believes will improve the proposed legislation.

The Government finds itself in a technical difficulty with the proposed amendments. If the Government accepts such amendments which may have merit when they are moved in the House, it will be necessary for the Bill to be reprinted before it is sent to the Legislative Council. Given the dimensions of the Bill, the process will inevitably involve at least a 48 hour period which will necessarily mean the proposed legislation cannot be introduced into that House for a further week.

The further effect is that the proposed legislation would not be available for the benefit of the community, particularly the mining industry, in all forms at the earliest possible date, as was the Government's firm intention. I make it clear that for this reason and for no other the Government will be opposing the amendments which will be put forward by the honourable member for Midlands on behalf of the Opposition at this stage of the Parliamentary process.

I give the honourable member for Midlands and members of the Opposition generally a clear and unequivocal assurance that those amendments will be examined on their merits and thoroughly addressed during the debate when it occurs in another place. The proposed legislation must have the opportunity of becoming effective at the earliest possible date, but no one should assume that at this stage the Government is automatically prejudging those amendments or rejecting them out of hand.

The Government welcomes the spirit in which the debate has so far been conducted. In particular, it welcomes the spirit in which the Opposition amendments have been drafted and looks forward to the consideration that can be given to them by the Government in another place.

The motion was agreed to.

The Bill was read a second time and committed.

Clause 1 was agreed to.

Clause 2 (Interpretation)

Mr EBERY (Midlands)—I seek the guidance of the Chair on the amendments that I propose. A number of the amendments are consequential and I seek guidance as to whether I should state the amendments with which I now propose to proceed.

The ACTING CHAIRMAN (Mr Kirkwood)—Perhaps it would be advisable if the honourable member for Midlands indicated to the Committee the various amendments with which he would like to continue.

Mr EBERY—Thank you, Mr Acting Chairman. I should like to proceed with amendments Nos. 1, 40, 43, 92 and 93.

I move:

Clause 2, lines 18–20, omit all words and expressions commencing with "for the time being" and ending "and the regulations." and insert "which any holder of a miner's right has taken possession of subject to the provisions of this Act and in accordance with the regulations and is entitled to occupy for mining purposes upon registration, but does not include any land comprised in any development or mining lease or in any application for a development or mining lease.".

The principal Act allows for pegging. A person pegs his claim by putting four pegs in the ground, but he cannot work the claim

until it is registered. The honourable members for Ballarat South and Bendigo went to some lengths in saying that the miner's right enshrines rights in the Bill—a typical example of the fact that they do not know what they are talking about. Putting the pegs in the ground does not give the miner a right. The land is not his until his claim is registered. Registration is subject to bonds and other conditions. The amendment I have moved will ensure that the miner's right gives a person an immediate right rather than a right that will come into existence in the foreseeable future subject to registration.

The honourable members for Ballarat South and Bendigo criticized the former Government for its failure to act in this matter. The former Government introduced, in the dying hours of the Parliament, a Bill containing 117 clauses. That Bill was held over until the next sessional period. The Labor Government has been trying to deal with the matter ever since it came to power thirteen months ago, yet the honourable members for Ballarat South and Bendigo criticized the Liberal Government for holding the Bill over for two or three days.

Mr Ramsay—Mr Acting Chairman, I direct your attention to the state of the Committee.

A quorum was formed.

Mr EBERY—I was pointing out to the Committee that the honourable members for Ballarat South and Bendigo had criticized the former Liberal Government for its failure to act on this Bill. I invite honourable members to consider the Labor Party's earlier statement of policy. It stated:

> A Cain Labor Government would legislate to restore the miner's right.
>
> The ALP supported the passage of the amending legislation through Parliament at the end of the Spring Session of last year.
>
> The ALP believes that existing legislation, requiring consent to mine to be given by EL holders, unfairly discriminates against the small prospector/miner who wants to peg and work a claim.
>
> There is an urgent need for Parliament to amend the legislation. There is the potential, in Victoria's goldfields districts, for a substantial industry revolving around small scale mining operations.

That policy statement was dated 6 February 1982, yet the Government has been toiling with the Bill since April 1982 and the honourable members for Bendigo and Ballarat South had the audacity to criticize the former Liberal Government for holding the Bill over for three or four days. The policy document continues:

> This in turn would stimulate other local service and supply industries and businesses, and would boost the tourism industry.

The amendment that I have moved will give a right over the land to the person who pegs his claim. Subject to obtaining registration, he will be allowed to work the claim. That is the fundamental reason why I have moved the amendment.

The Committee divided on the question that the words and expressions proposed by Mr Ebery to be omitted stand part of the clause (Mr Wilton in the chair).

Ayes	50
Noes	18
Majority against amendment	32

AYES

Miss Callister	Mr Miller
Mr Cathie	Mr Newton
Dr Coghill	Mr Norris
Mr Crabb	Mr Pope
Mr Culpin	Mrs Ray
Mr Ernst	Mr Roper
Mr Evans (*Gippsland East*)	Mr Ross-Edwards
Mr Fogarty	Mr Rowe
Mr Fordham	Mr Seitz
Mr Gavin	Mrs Setches
Mr Gray	Mr Sheehan (*Ivanhoe*)
Mr Harrowfield	Mr Sheehan (*Ballarat South*)
Mr Hassett	Mr Shell
Mrs Hill	Mr Simmonds
Mr Hill	Mr Simpson
Mr Hockley	Mr Spyker
Mr Ihlein	Mr Steggall
Mr Jasper	Mr Stirling
Mr Jolly	Mrs Toner
Mr Kennedy	Mr Trezise
Mr Kirkwood	Mr Walsh
Mr McCutcheon	Mr Whiting
Mr McDonald	*Tellers:*
Mr McNamara	Mr McGrath
Mr Mathews	Mr Sidiropoulos
Mr Micallef	

NOES

Mr Brown	Mr Jona
Mr Burgin	Mr Kempton
Mr Delzoppo	Mr Kennett
Mr Dickinson	Mr McKellar
Mr Ebery	Mr Maclellan

Mr Ramsay	Mr Williams
Mr Richardson	
Mr Saltmarsh	*Tellers:*
Mrs Sibree	Mr Leigh
Mr Templeton	Mr Reynolds

PAIRS

Mr Cain	Mrs Patrick
Mr Hann	Mr Austin
Mr Wilkes	Mr Lieberman

The clause was agreed to, as were clauses 3 to 9.

Clause 10 (Claims)

Mr EBERY (Midlands)—I move:

Clause 10, page 16, line 25, omit "recovered" and insert "mined".

Clause 10 (22) states:

Minerals in or upon a claim shall upon being recovered in accordance with the provisions of this Act relating to claims and the conditions of the claim be the property of the owner of the claim but this subsection shall not be construed as discharging or affecting the obligations (if any) of the owner to pay royalties on minerals.

This is a reasonable amendment because, as I said, difficulties occur when a person mining gold has to stockpile the ore body which is then transferred to a battery and has to be stored again.

The interpretation in the Bill is far too loose. When the gold has just been recovered and is lying in a stockpile who owns the gold? It could be considered that it is not recovered at that stage because it has only been taken from the ore body and been stockpiled. If the word "mined" were used, the gold would become the property of the claim holder.

It is a reasonable and logical amendment and one the Government should accept.

The amendment was negatived.

Mr EBERY (Midlands)—I move:

43. Clause 10, page 16, line 34, after "from the claim, but" insert "the total weight of samples taken shall not exceed 10 tonnes except with the consent of the owner of the claim, and the holder of the exploration licence".

The reasoning behind this amendment is that the Bill provides that the holder of an exploration licence may, in the course of carrying out operations pursuant to the licence, take and retain samples from the claim. The word "samples" is not defined. If an exploration licence company wanted to explore a miner's right claim, it would be able to get samples to determine what was the quality of the ore. It is necessary that exploration licence holders should be able to go on a miner's right claim to examine whether that claim has any value.

The amendment states that the total weight of samples taken shall not exceed 10 tonnes except with the consent of the owner of the claim, and the holder of the exploration licence. That means that if the exploration licence company wishes to obtain more samples, consultation and discussions between the two parties must occur. The amendment is reasonable and I hope the Government supports it.

The amendment was negatived, and the clause was agreed to, as was clause 11.

Clause 12 (Right to transfer claim)

Mr EBERY (Midlands)—A claim shall be cancelled subject to the mining warden satisfying an inquiry that the claim holder has failed to comply with any of the provisions relating to the claim, whether or not criminal proceedings have been instituted against the owner.

In respect of that non-compliance, I note that the Opposition in the Upper House will move to delete the word "criminal" from proposed new section 20 (3) (*b*) (i) because that is an unsatisfactory phrase to be used. A penalty of ten penalty units is incurred if registration is cancelled. The provision has far-reaching problems because it should be stated that it is intentional on behalf of the miner's right claim holder. That should be clarified to ensure that the conditions placed on the miner's right claim are intentional.

The clause was agreed to, as was clause 13.

Clause 14 (Refunds in relation to claims)

Mr EBERY (Midlands)—I move:

Clause 14, page 24, line 29, after "obtained" insert "and consent in writing shall be deemed to have been obtained if the owner of the claim has requested the consent of the licensee by certified mail and a reply to the contrary in writing has not been received by both the person and the Mining Registrar within one calendar month of the person's request for consent.".

One of the fundamental problems is that the miner's right holder must apply to the

exploration licence company for permission before registration is granted. I reiterate the remarks I made during the second-reading debate. Exploration companies such as Western Mining Corporation Ltd and CRA Ltd have always acted very responsibly, but there are a number of companies which have not answered correspondence. The amendment ensures that when a miner's right applicant wants permission from the exploration licence company within the first period of twelve months, or when a new exploration licence application has been made or received, the miner's right applicant must gain permission from the exploration licence holder. The amendment spells out the mechanism by which this can take place.

It is only fair that correspondence should be forwarded by certified mail because it provides a safeguard to the exploration licence companies. It is a reasonable amendment and should gain the support of the Government.

The amendment was negatived.

Mr EBERY (Midlands)—I move:

Clause 14, page 25, lines 38 to 47, and page 26, lines 1 to 20, omit all words and expressions on these lines.

The proposed amendment refers to the omission of the mining depth limit of 25 metres that was referred to during the second-reading debate. The adoption of the amendment is necessary to permit either a miner or prospector to search for gold on Crown land.

The comments made by the honourable members for Bendigo and Ballarat South indicate that they are completely unfamiliar with the aims of the Bill.

A miner may peg a claim after an exploration licence has been granted for a period of twelve months. Both honourable members failed to understand that, while the depth limit of 25 metres applies, only claims not covered by an exploration licence allow a claim holder to operate at a greater depth than 25 metres. If permission is obtained from the exploration licence holder, a miner would be allowed to mine only to a depth of 25 metres.

The honourable members for Bendigo and Ballarat South should support the proposed amendment if they are sincere in the statements they have made both during and since the last State election campaign. If the amendment is accepted, it will restore the miner's right. However, if vexatious claims are made by non-bona fide miners to either stifle or frustrate the operation of an exploration licence holder, the Government should legislate to prevent that happening. I urge the Committee to accept the amendment.

The Committee divided on the question that the words and expressions proposed by Mr Ebery to be omitted stand part of the clause (Mr Wilton in the chair).

Ayes	50
Noes	19
Majority against the amendment	31

AYES

Miss Callister	Mr Miller
Mr Cathie	Mr Newton
Dr Coghill	Mr Norris
Mr Crabb	Mr Pope
Mr Culpin	Mrs Ray
Mr Ernst	Mr Remington
Mr Evans (*Gippsland East*)	Mr Roper
Mr Fogarty	Mr Ross-Edwards
Mr Fordham	Mr Rowe
Mr Gavin	Mrs Setches
Mr Gray	Mr Sheehan (*Ivanhoe*)
Mr Harrowfield	Mr Sheehan (*Ballarat South*)
Mr Hassett	Mr Shell
Mrs Hill	Mr Simmonds
Mr Hill	Mr Spyker
Mr Hockley	Mr Steggall
Mr Ihlein	Mr Stirling
Mr Jasper	Mrs Toner
Mr Jolly	Mr Trezise
Mr Kennedy	Mr Wallace
Mr Kirkwood	Mr Walsh
Mr McCutcheon	Mr Whiting
Mr McDonald	*Tellers:*
Mr McNamara	Mr McGrath
Mr Mathews	Mr Sidiropoulos
Mr Micallef	

NOES

Mr Brown	Mr Maclellan
Mr Burgin	Mr Ramsay
Mr Delzoppo	Mr Richardson
Mr Dickinson	Mr Saltmarsh
Mr Ebery	Mrs Sibree
Mr Jona	Mr Templeton
Mr Kempton	Mr Williams
Mr Kennett	*Tellers:*
Mr Lieberman	Mr Leigh
Mr McKellar	Mr Reynolds

PAIRS

Mr Cain	Mr Austin
Mr Hann	Mrs Patrick
Mr Wilkes	Mr Tanner

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

The Bill was reported to the House without amendments, and the report was adopted.

Mr MATHEWS (Minister for Police and Emergency Services)—I move:

That this Bill be now read a third time.

Mr B. J. EVANS (Gippsland East)—Very briefly, I express my disappointment that the Opposition forced certain questions to a division during the Committee stage, when the Minister had given a clear undertaking that the various amendments that were to be proposed would be given consideration. The National Party regrets it was forced to a commitment of those provisions before having adequate time to give full consideration to them. If members of the National Party may use some defence for our attitude on the matter, perhaps we should reply on the argument that the Government has a mandate.

The motion was agreed to, and the Bill was read a third time.

FIRE AUTHORITIES BILL

This Bill was received from the Council and, on the motion of Mr SIMPSON (Minister of Public Works), was read a first time.

PIPELINES (AMENDMENT) BILL (No.2)

This Bill was received from the Council and, on the motion of Mr MATHEWS (Minister for Police and Emergency Services), was read a first time.

MUSEUMS BILL

This Bill was returned from the Council with a message relating to an amendment.

Council's amendment:

Clause 13, line 30, omit "nor" and insert "not".

Mr MATHEWS (Minister for Police and Emergency Services)—I move:

That the amendment be agreed to.

The House will understand that this is a typographical error.

Mr JONA (Hawthorn)—We do not object to the amendment, nor do we wish to delay the passage of the amendment.

The motion was agreed to.

RACING (AMENDMENT) BILL

The debate (adjourned from May 5) on the motion of Mr Trezise (Minister for Youth, Sport and Recreation) for the second reading of this Bill was resumed.

Mr REYNOLDS (Gisborne)—It is a major Bill that has implications throughout the industry. When I refer to the industry, I mean thoroughbred racing, greyhound racing and harness racing. I ask the Minister to consider a couple of minor points about the second-reading speech of 5 May. Firstly, the notes on the clauses to the Bill were not available until one week after the Bill was presented. I hope this will not happen in the future and that a full Bill and notes will be available in advance. The other matter is that the second-reading speech states:

"Essential racecourse equipment should be met from the Racecourses Development Fund. This is quite a reasonable proposal and has been taken up by the Government in clause 14.

The matter is actually dealt with in clause 13. It does not matter much, but if the Bill is to be presented, it should be right.

In a nutshell, the Bill centralizes racing once again. A considerable amount of money, time and resources has been spent on decentralization. Trainers have been moved to outer country districts and have spent considerable sums of their money and money from the Racecourses Development Fund in order to decentralize. A significant part of that money from the fund has been spent on upgrading facilities in country areas. This Bill undoes that decentralization and seeks to centralize again. It is the beginning of a new approach.

If passed in its current form, it will bring about the ruination of country racing as we know it. That view is held by many people in country areas to whom I have spoken. Victorian racing is the mecca of racing in Australia. I refer to country and city racing combined. It requires a finely tuned balance between the two types of racing and is

envied by all the other States. The Bill will lower the type of horses that will be racing in the country. By introducing another 100 races in the city, it will make it harder for country clubs to attract sponsors. As country racing deteriorates, so will the number of people who patronize those events and the volunteers who are essential to country racing. I refer to the kind-hearted people in the country who work so hard and spend hundreds of hours preparing the course, cleaning out toilets and other menial jobs voluntarily whereas city clubs and major country courses pay to have those jobs done.

By bringing extra meetings into the city and upgrading and extending the class of horses that will race in the city, the Bill will lower the class of racing in the country and thereby it will deteriorate. The major purpose of the Bill is to increase turnover from the Totalizator Agency Board. That is the yardstick used in racing. In many instances it is wrong to use turnover from the Totalizator Agency Board as the yardstick. It is worshipping the almighty dollar. If the Bill is carried in its present form, it will increase turnover to the Totalizator Agency Board. It is interesting to note some of the figures that have been bandied about. The figures vary from about $25 million to $43 million. The winner will not be the racing industry; it will be the Government. The Government is in financial difficulties and needs more money. Honourable members are all aware that the distribution of the three codes is guaranteed by the Government to be 3·525 per cent of the turnover. As a rough rule of thumb, the racing industry has told me that it gets 2·24 per cent of that 3·525 per cent guaranteed as a distribution, but, as the Minister says by way of interjection, the country clubs receive an extra 0·25 per cent over and above that amount.

The main winner is the Government. It will receive about 6·5 per cent of every dollar that is paid and, as I will prove later, that will make it a large winner. According to the second-reading speech, the Bill does seven things. Firstly, it establishes an appeals tribunal. Secondly, it increases by twelve the number of city race meetings. These will all be held on Wednesdays. There are currently 84 and the Bill raises the number of meetings to 96, so that there will be almost two a week throughout the year. The third purpose of the Bill is to transfer eight current Tuesday metropolitan race meetings to Wednesdays. As there are already twelve Wednesdays, it will make a total of 32 Wednesday race meetings in the city. Fourthly, it also establishes a new formula for the distribution of the Totalizator Agency Board surplus. Fifthly, in effect, it does away with the country district boundaries and allows meetings to be transferred all over the State. Sixthly, it allows purchases from the Racecourses Development Fund of essential racecourse equipment. The last provision in the Bill allows patrons who are attending galloping or harness racing meetings to bet on a concurrently held greyhound meeting.

I circularized thoroughbred racing clubs, harness racing clubs, greyhound racing clubs, as well as trainers' associations, jockeys' clubs, owners, breeders and country trainers' groups, district associations, drivers' and trainers' associations within the harness racing industry and similar groups. I received plenty of feedback in the form of telephone calls, hours of discussion with different people at different levels and many submissions from which the Opposition formulated its stance on the Bill.

The Opposition received more feedback following a press release signifying its intention in one or two directions. There is no doubt that when the Opposition indicated its opposition to two clauses of the Bill, it created a little noise in certain areas. I thank those people who communicated with me for their interest. There is no doubt that the Bill causes concern to many people.

The measure producing the least problem is that which will permit patrons of horse race and harness race meetings to bet on greyhound races. This extends to those people a privilege already enjoyed by patrons of greyhound race meetings to bet on meetings of the other codes which are being held on the same day.

This corrects an anomaly which has been on the statute-book for some time. The measure is fair to all codes of racing and is fair to the punter because, after all, the punter pays to attend the race meeting and pays to lose in some cases. The Opposition does not oppose that provision.

The Opposition does not oppose the clause dealing with the purchase of essential racecourse equipment. Sub-section (4A) of

section 126 of the Racing Act allows the Racecourses Licences Board to assist with finance to help refinance and to discharge any liabilities for racing in general. However, it refers only to permanent improvements.

Therefore, the board cannot provide assistance to clubs for moveable items of equipment, such as tractors, mowers and motorized vehicles, such as utilities, trucks or cars. Many clubs are having difficulty balancing their books and paying their way to provide for the ever-demanding upgrading of facilities, as well as the purchase of expensive moveable equipment, to which I referred.

The use of the word "essential" is a safeguard. The Racecourses Licences Board is a responsible body which takes its position seriously. The board regularly visits country courses and only two weeks ago visited the courses at Kyneton and Kilmore in the electorate I represent, as well as the course at Seymour. The Opposition agrees with this part of the Bill which has been supported by all people with whom I have had contact.

I now refer to an area where disagreement exists, namely, the virtual abolition of the country districts. Clause 11 states:

> Paragraph (*d*) of section 33 of the principal Act is hereby repealed.

Although the clause is small, it will have a major effect on country areas. Section 33 (*d*) of the principal Act states:

> The total number of race meetings for horse races determined by the Minister under paragraph (*c*) in respect of any race meetings district shall not be less than the number of race meetings for horse races held in such race meetings district during the year which began on the 31st day of March 1928 by all clubs, associations and bodies of persons registered by and under the rules for the time being in force of the Victoria Racing Club.

Honourable members will understand why that clause is being repealed.

Mr Lieberman—It must have been there for a purpose.

Mr REYNOLDS—It was. I foreshadow an amendment to overcome this out-dated clause. In trying to research that meaningless and out-dated clause, I could not find anyone who could tell me when it was decided that the racing season begins on 1 August each year. I could not find anyone who could tell me the boundaries of the various districts in those days.

I discovered that, in 1928, a Port Phillip District, which is one of the eight existing districts now, did not exist. Not even the experts could tell me how many courses operated in 1928 or how many clubs there were. No doubt that clause should be repealed. The Bill removes the section of the principal Act which removes any boundary restriction on country districts.

The honourable member for Albert Park says "Thank goodness". Once the honourable member goes beyond the tram terminus he is lost. He knows nothing about country racing. The majority of country clubs are opposed to the removal of this paragraph. The Opposition will move an amendment in the Committee stage.

The membership of the Racecourses Licences Board comprises worthy people. However, the chairman is appointed by the Governor in Council. The other two members are the Chairman of the Victoria Racing Club or his nominee and a person who must have country racing interests who is appointed by the Minister. This means that at the whim and pleasure of three people, meetings can be moved from one end of the State to the other depending on the performance of the clubs or any particular quirk that those members may have in their minds.

It is interesting that the Port Phillip Racing District is included in the eight country racing districts and is considered country. The six courses in that district are situated at Cranbourne, Geelong, Mornington, Pakenham, Werribee and Yarra Glen. One or two may be considered to be country and I daresay that one would need to be a member of the Government party to consider the others to be in the bush. I foreshadow that I will move an amendment during the Committee stage of the Bill that will have the effect of leaving this clause as it is but altering the date to 1 August 1982.

By precedent and history, meetings in districts have remained in their districts. Why change it? Why allow some meetings to be taken completely away from the district, decimating the business and industry that has been built up in those areas over many years?

The 1983–84 racing calendar proposes to take race meetings out of districts all over the State. The majority of meetings moved to the Port Phillip district—10 leave the country district with 4 going to Mornington, and 4 to Geelong. Undoubtedly, the south-western district will lose badly because it goes from 64 meetings to only 58. The Ballarat racing district remains the same, with 34 meetings this year and 34 meetings next year. The Gippsland district gains a couple by going from 55 meetings to 57 meetings. Mildura remains the same with 12 meetings in this year and 12 meetings next year.

The north-western district remains the same with 30 meetings and I have received a deal of correspondence from one club which is to be delicensed, the Kaniva Club, to which I shall refer later. The Northern District Racing Association loses three meetings, Kerang and St Arnaud being the greatest sufferers because Kerang loses two of its four meetings and is cut neatly in half and St Arnaud, which at present has five meetings, is reduced to three meetings, one of its meetings purportedly going to Swan Hill because it gains one and one going to Echuca for the same reason.

Bendigo, which is a major city and at present enjoys 20 meetings a year, loses one. It is the host club to the Elmore Club and that club loses one of its meetings. The north-eastern district loses one in a very large reshuffle of meetings throughout the clubs in that district. As I said, the Port Phillip racing district, known as a country district, is to gain eight meetings. The real loser is the south-western racing district, which loses six meetings, going from 64 to 58. That is a summary of what is going to happen. If those clubs in the Port Phillip district are not considered as true country clubs, it is really a solid centralization of racing.

According to the Minister's second reading speech, the Labor Party was elected on a policy which requires it to ensure that the racing industry operates efficiently, equitably and in the public interest. I do not envy the Minister trying to finely balance the parochial interest of all racing clubs. It is not easy to do, and in private discussions we would agree on that point.

What is the public interest on which the Labor Party was elected? What is the public interest in the racing industry? Is it the money? That is the benchmark of the Bill—increased money to the Government to help the Treasurer out of his problems that he announced yet again today are further increasing. Is public interest the balance between the city and the country? Is it in the public interest to look after the punter, the owner, the trainer, the jockey, the driver, the horse, the greyhound and so on? Is the criterion the Totalizator Agency Board turnover? That is what it appears to be. Does not any other achievement count in racing? It would appear that it does not.

Racing is an industry that employs approximately 27 000 to 30 000 people and it has a multiplier effect in employing more people indirectly. However, the Government should remember that racing is above all a sport from which very few people can make a living. Those in it are there for the sport of racing. I wonder how much of a profit the honourable member for Sandringham is making on his horse? I bet it is a sport to him, rather than a living. Many owners and those in the racing industry consider racing a sport because it costs them money from their own pockets to participate in the industry.

In June 1982, the Racecourses Licences Board was directed by the Minister to report on the rationalization and improvement of the racing industry and this followed a report by the Victorian Country Racing Council which made some sweeping assessments and summations. To get a balanced view, the Minister instructed the board to investigate and report comprehensively on the rationalization of the thoroughbred industry.

The conclusions reached in that report cover four pages, and there are eighteen conclusions in all. When one reads through them all, one after the other, it appears that the whole crux of those conclusions is centred around one end, to make more money and more turnover for the Totalizator Agency Board. It is just more money and more money. I do not suppose that is altogether bad, but a balance should be kept rather than using that aim as one's sole ambition in the racing industry. From the words used in the report such as "maximizing earnings" and "increasing turnover" it appears that the Racecourses Licenses Board is not opposed to any works that point towards making more money.

It was recommended that four racecourses be delicensed as from 31 July 1983, that nine clubs be amalgamated with clubs, where they are currently sharing courses, and that a further four clubs be amalgamated in the near future. I have talked to many of these clubs and there is no doubt that they want to know why they have to amalgamate and what difference that will make. I talked at length to officials of the Quambatook Racing Club, who said that the report proposed that the club amalgamate with Swan Hill. They want to know why that should occur. They are the people who organize the sponsors and run the racing in that area, and why should they amalgamate? The horses are racing, the people are attending the races and there is a turnover for the Totalizator Agency Board, and a turnover for the bookmakers that the clubs get money from, and everything is happening. It is just that there is another president and committee for the day.

It makes no difference whether the clubs amalgamate. If they are forced to amalgamate, many volunteers will soon leave the racing industry. Many of the families who have been part of those old clubs for many years—and that is the secret of country racing—will be lost. The Government should go a little more gently in that area. At page 6 of the board's report, a call is made for a guarantee. Although the board is assured of funds for the Racecourses Development Fund, it is still concerned that proposed changes in Treasury administration that sets an appropriation of revenue will disadvantage the industry.

I have talked to people from New South Wales, and it is no wonder that Victorians are worried, because Mr Wran has pilfered their funds and used them to prop up his ailing hospitals. I hope it is not the intention of this Government to swallow this fund up in the Victorian Development Fund to prop up an ailing Treasury that it is trying to administer. The report continues:

> Therefore, it recommends that explicit Government guarantees be given to preserve the existing TAB and on-course percentage contributions, the right to invest reserves and supplement the Fund and the right to flexible deployment of the Fund to facilitate future planning and meet regularly occurring contingencies.

The Government has accepted out of the report several of the recommendations. I should like the Minister to give a categorical assurance that he will guarantee that, although the fund may be invested to its best advantage, it will never be pilfered as has been done by his counterpart in New South Wales.

The Racecourses Licences Board report of 16 November 1982 is an interesting document. However, there is another document that was put out by the same organization, and I should like to quote extensively from it because there seems to be tremendous conflict between what the board thought at the time it presented its document entitled, "Review of Functions and Racecourse Development" in June 1981, and what it thought in November 1982, which was just 17 months later. It is amazing to note the difference. The review sets out clearly the functions of the Racecourses Licences Board and I found it informative, particularly what is stated in the latter report of the board. The only change in the make-up of the people on that board is that Sir Rupert Steele is no longer a member, and has been replaced by Mr Doug Reid. Mr Bill Lienhop represents country racing and Mr Bert Keddie is still the chairman. Therefore, two of them are still there. The review states:

> However, the economic benefits of closing more of the smaller country racecourses are not as significant as most people think. Small clubs receive little from the Racecourses Development Fund and their closure would make no significant contribution by way of redistribution of the Board's funds to larger clubs.

That is strange. I wonder what the people of Chiltern, Kaniva and Coleraine would think. There has been an amazing turn-around by the board. The Minister interjects and asks whether I am saying they are hypocrites. I am not saying that they are hypocrites, but that there has been an amazing turn-around since the new Government came to office. I suppose the Government believes that, being a city-based Government, it can afford to play merry hell with the bush because it does not get many votes there anyway. I suppose the Minister will say that he does not instruct the board in any way, but I can assure him that, if he issued a recommendation to the board, the board would be bound to consider it, and, as he is the boss who appoints one of them,

he must have some say in the matter. The review of 1981 also states:

> Conversely, the maintenance of most of the existing country racecourses, including those with only one race-meeting a year like Gunbower and Great Western, is ardently desired and supported by the local communities concerned.

That is the crux of it. It is supported by the local communities concerned and that is something that is lost sight of when country racecourses are being closed down. The review continues:

> It would be inconsistent with the recreation policy of the Department of Youth, Sport and Recreation to remove from these small communities what, in fact, represents one of the major recreation activities of that community. Without exception, country race clubs and their committees are centres of community activity and self-help equal to any community recreation of community services activity in Victoria.
>
> ... The great majority of country racecourses have additional recreation facilities and serve as multi-purpose recreation centres.

One has only to visit many of the courses around the country to see the activities of pony clubs, gem clubs and a whole range of other groups. There are even football grounds in the middle of racecourses. These activities cause confusion and inconvenience at times but it is possible to overcome that. The next sentence of the review reads:

> At the direction of the Minister, the Board encourages clubs to allow local sporting and community bodies to make use of racing facilities and to add to the recreation facilities on racecourse reserves in order to develop the racecourse into a community recreation area.

The Minister directs the board in that instance but not in other instances. I believe that is an excellent policy and I encourage the proper and full utilization of community facilities. The review continues:

> Returning to the matter of economics a further factor is the cost of transport. Each racecourse attracts horses from its surrounding districts and the more racecourses which are closed, the greater the distances which have to be covered at increasing cost of transport and increasing consumption of petrol. Also, attendances at most racecourses are declining and, by increasing the distance of travel, may be expected to decline still further.

In 1981 the Racecourses Licences Board made that statement, and I believe the Government should not be closing any more courses. Earlier the Minister interjected and said that the Liberal Party closed many courses when it was in government, and I agree that it did, but it has not done so for many years. The last occasion was the closure of the Woodend course in the Gisborne electorate but that was as a result of a decision of the club to amalgamate with the Kyneton club. I had a good deal to do with that matter and I do not remember receiving any instruction from the Minister or the Government that the club should close or be delicensed. In accordance with its financial position, the club thought it better to amalgamate with Kyneton club.

I am sure the Coleraine club was interested in the conflict in the two reports of the Racecourses Licences Board. That club had six meetings this year, one a Friday Totalizator Agency Board meeting and five on a Saturday with no Totalizator Agency Board operation. The Victorian Country Racing Council made several long statements about that club in its report. Last week-end the Totalizator Agency Board turnover at Coleraine increased so markedly that the club was able to provide an extremely successful racing day. Together with the honourable member for Portland, I visited the Coleraine course and found that the community spirit was infectious. It made one feel pleased to be amongst the people there. They work hard with facilities that are no doubt not as good as those available in some of the larger towns. There was a holiday atmosphere. I have some interesting figures. The criterion of Totalizator Agency Board turnover should be applied in the case of Coleraine when people claim that that course should be closed because it is not effective. In 1981 the Totalizator Agency Board turnover there was $776 000 at the corresponding meeting. That was not considered to be good. In 1982 the turnover rose by about 14 per cent to $867 104—a big increase. Last Friday the throughput on the Totalizator Agency Board was $1 082 500, an increase in excess of $200 000 or almost 25 percent.

On the basis of the Totalizator Agency Board criterion of turnover, Coleraine must be saved. It is performing. There is no doubt that the figures are there. One should talk to the trainers, Mr Jim Cerchi next door to the course and Tom Kane, the president of the club. When talking to those two gentlemen, it is necessary to do a lot of listening, but

they are devoted to their club and to racing. I am pleased to hear the Minister say, "Hear, hear", and the honourable member for Lowan agreeing with me. If the course were taken from them, what would be left for those people? I wonder whether local jealousies would allow them, after having given a lifetime to that course as Tom Kane has, to go over to Casterton or to Hamilton, down the track. I doubt it.

The two courses proposed to be closed under the Bill and the new calendar are Kaniva and Chiltern. The honourable member for Lowan will speak at length about Kaniva. I shall touch on it briefly by saying that Mr Bill Hicks has contacted me. He also writes long letters and one can see the heart of the man projected in the thoughts from that area. The honourable member for Benambra will speak later in the debate, and will no doubt raise the point that Chiltern has lost three of its meetings. The only one that has gone to Wodonga is the St Patrick's Day meeting. It is hard to say where the other meetings have gone in the shuffle that has occurred.

One of the other two clubs that is particularly disadvantaged is Colac. There is no doubt that it has been throttled. The Minister has it down, with his foot on its neck, and it will never get up again. Last year it had four Totalizator Agency Board midweek meetings and three Saturday or public holiday meetings with a daily double only. The honourable member for Polwarth will no doubt tell the House a lot more about that later. The club now has only two Friday Totalizator Agency Board meetings and five Saturday TAB meetings. I ask the Minister to consider relaxing his foot a little on that club.

The sitting was suspended at 6.29 *p.m. until* 8.6 *p.m.*

Mr REYNOLDS—I shall reiterate a few of the things I was saying prior to the suspension of the sitting for dinner. I said that the Bill would have the effect of centralizing racing on the city area, whereas, since the previous Government was in power, we have been trying to decentralize racing. The measure will change this around and will destroy country racing; the real winner will be the present Government.

As I said earlier, many figures have been bandied around about the additional turnover that will be obtained and about how much each body would need to receive. The middle figure of about $40 million is estimated to be received from the holding of twelve additional city meetings and as a result of changing eight Tuesday meeting days to Wednesdays. The natural increase will amount to $40 million. The Government's share of this, at 6·5 per cent, is $2·6 million. This hungry, greedy Government wants another slice of the action—that is the real reason for the Bill.

I also said that the proposal will centralize racing, and, for the benefit of honourable members, I shall quote some figures. Members of this city-based Government may not realize that 2210 horses are trained in the metropolitan area, but 5680 are trained in the country; 72 per cent of the horses in training in Victoria are trained in the country. There are 182 trainers based in the city, and 1182—1000 more—in the country. There are 105 jockeys based in the city and 147 in the country. These figures show that there are many more trainers, horses and jockeys involved in all facets of racing in country areas.

Let me put honourable members wise to a couple more facts. Of the 182 metropolitan trainers, the top ten won 40 per cent of the flat races in the metropolitan area and won almost 70 per cent of the stake money. Of the 105 jockeys, the top ten won 50 per cent of the metropolitan flat races. The top 20 won 70 per cent, so centralizing the racing industry will mean that the rich will get richer, the big ones will go ahead and the battlers will be trodden on.

When the present Minister for Youth, Sport and Recreation was the Opposition spokesman on sport, he stated on 30 October 1975, as recorded in *Hansard* at page 8221:

> The Minister, as the administrator of the Racing Act, will realize that every step the Government takes through legislation must be carefully considered to ensure that the racing industry does not get off balance, and that Victoria maintains its place as the leading racing State, not only in Australia, but indeed, in Australasia. Whenever legislation is introduced which brings in extra racing days or changes dates from one particular district to another there is always pressure on individual members of Parliament and individual members of Cabinet, and naturally on the Minister.

I suppose that is still true.

I am sure the Minister realises that it is important that the Government does not tilt the balance too much to the metropolitan area as against the interests of the country,

The Minister said that eight years ago when he was just the honourable member for Geelong North; what a short memory he has!

and thus lower the standards in Victoria to those in New South Wales.

He also said in *Hansard* of 30 October 1975 that Victorian racing was steps ahead of racing in other States.

Before the suspension of the sitting, I mentioned changes made at many of those country courses. The officials of many of those courses contacted the Opposition. The best wet weather course which is situated at Kerang will lose two of its meetings. It will have the number of meetings reduced from four to two. This is all tied in with the extra city meetings that are proposed.

There are a suggested twelve more Wednesday and eight Tuesday meetings to be run on Wednesdays. In other words, of the available 40 Wednesday race meetings—Wednesday being the prime racing day—the Bill will allow for twenty to be taken away from the country courses, half of what they now have. The Opposition opposes that provision and foreshadows that an amendment will be moved during the Committee stage.

The Minister will acknowledge that Wednesday is the best day on which to hold a mid-week race meeting. If all 32 city race meetings were held on a Wednesday, the rest of the meetings that are held in the country must be carefully shuffled around because, if they were held on a Wednesday, they would then have to be held either on a Tuesday or a Thursday; if they were held on a Tuesday or a Thursday, they would then have to be altered to a Friday, or a Saturday or taken right off the calendar. No doubt that would happen if the situation were not watched.

Another matter that is causing grave concern is that a lower class of horse will be racing at the city meetings. Currently top class horses run in country meetings but they will be taken from the mid-week country race meetings to the city meetings held mid-week. On figures released by the Victoria Racing Club, the average daily TAB turnover at country meetings on a Saturday is $1 million less on a weekday. This is the yard-stick that is used, worse luck!

Many other clubs will suffer from the downturn which concerns the Opposition so much that it will move an amendment. It was interesting to read the comments of the Minister as reported in the *Herald* last night. He suggests:

. . . the extra 12 city meetings would mean an increase of $1·25 million in stake money for owners, trainers, jockeys and others.

The Minister also suggests that there will be another 100 races. If one takes that comment on face value and divides 100 races into $1·25 million it amounts to $12 500 a race.

At a race meeting in Caulfield today there were eight events, seven carried stake money of $8000 and the hurdle event carried stake money of $10 000 with a $1000 trophy. Last night the Minister said that it would increase stake money by $1·25 million. If that is so, the increase in prize money that will be presented at the city race meetings will be 50 per cent. That does not make sense.

Another interesting point is that there is only $13·2 million stake money all over the State and there are currently 84 city meetings and 402 country meetings. If the stake money is to be increased by $1·25 million, it would increase the stake money by only 8 per cent statewide. What do the clubs say about that? What do they really think about the decision?

Honourable members must assess the position of the country clubs because they are not as noisy nor do they have the command of the press that the city clubs have, particularly the Victoria Racing Club. Those clubs that will be affected support the stance taken by the Opposition in proposing amendments to the Bill and the support is widespread in the country. I cannot say the same about the city clubs and the city-based allied organizations because the telexes and the letters received from them will prove that they do not support our stance. They do not approve of what the Opposition is doing because they wish to increase the number of meetings held in Melbourne.

An example of the support is two letters received from country clubs. The first is from the Ararat Turf Club, which states:

> The attached cuttings speak for themselves. "Blind Freddie" can see what is already happening to mid-week city races. The Wednesdays will become existing PROVINCIAL meetings. THE PROVINCIALS will then gobble up the Saturday clubs horses and the tail-enders like us will go out the back door. If the mid-week trend is to continue the public will have to be admitted free of charge, as no one goes now. Country clubs will not get much out of the proposed wash-up.

The letter is signed by K. J. Kavanagh, the Secretary of the Ararat Turf Club. In the *Truth* last Saturday, 28 May, Mr Ron Taylor states:

> There will have to be some changes to race conditions if lack-lustre meetings like Moonee Valley last Saturday are to be avoided in the future.
>
> The club was so desperate to secure entries it had to resort to telephoning trainers and asking them to nominate.
>
> In the end it finished up with the respectable number of 90 acceptors providing eight races, but there was a dismal lack of quality to the meeting. This was reflected in the poor attendance, a drop of 2,000 on the previous year.
>
> The trouble was that the Flemington mid-week meeting took most of the interesting runners and any that were over finished up at Sandown on Tuesday.

That is a comment from a city-based journalist who is explaining exactly what will happen when city meetings are increased; they will gently suffocate the country meetings. Another interesting letter was received from the Sale Turf Club. The letter is signed by the Secretary, Mrs H. M. Cantwell, and is dated 26 May 1983. It states:

> It is our opinion that this proposal will have a serious effect in lowering the Standard of Racing currently enjoyed and established at Country Meetings. Even now there is cause for concern at the small number of starters in particular types of races—e.g. Open Class Handicap Races at the normal race meeting. Betting on these races is very restricted because of lack of starters. This situation will become worse with more metropolitan races, as the standard of horses running at some of these mid-week meetings in the city will be ordinary; and will therefore reflect in lowering the standard of the Country Racing.

That is an interesting comment because Sale Turf Club is not disadvantaged in the wash-up because it will receive one extra meeting this season. In a letter that was sent to me by the secretary, Mr I. J. Middleton, on 20 May 1983, the South Western District Racing Association points out a statement made by the Minister during his second-reading speech. It states:

> It is in direct opposition to the second-reading notes by the Minister on the Racing Bill 1983, where he states—
>
> "I should emphasize that country clubs will not lose any meetings, but some meetings will be transferred to other days of the week."

That is what the Minister said during his second-reading speech and I should like to see him tell that to some of the clubs like Coleraine and Kaniva and others which are not impressed by that statement.

The recommendations of the Victorian Country Racing Council state, under No. 1, that they are opposed to any alteration to the current allocation of racing days in the metropolitan area and others which are not impressed by that statement.

I spoke to the Chairman of the Victorian Country Racing Council two days ago and he informed me that that is still his view, so it is strange that the Minister does not believe that is the answer.

The country provides a feeder system for city racing and helps to hold up racing. In New South Wales racing in country areas is poor and stakes are low. Country clubs will lose not only on the Totalizator Agency Board turnover, but also on on-course betting, and that is without taking into consideration the lower turnover—because they get a fair slice from on-course totalizator betting and from the bookmakers' turnover tax. The only gain will be more money for a few and heaps more money for the Government.

Racing is one of the best tourist attractions this State has to offer. It costs the Government not a red cent to promote it. Many volunteers in country Victoria are doing a magnificent job. Racing must not be destroyed by centralizing it and by the silly thing that the Premier did on Cup Day. Victorian country racing is unique and must be fostered. Consequently, the Opposition will move amendments on those two matters in the third-reading stage.

The Bill seeks to establish an independent appeals tribunal, in accordance with the Government's announced policy, and the Opposition has no argument with that. The

livelihood of some persons is at stake, and reputations can be severely dented if not completely destroyed by unfair decisions. An unfair decision can ruin a life, not only a career. In his second-reading speech, the Minister said that the Victoria Racing Club was the only opponent of that provision, but I believe that club now accepts the decision as inevitable.

One matter of concern in the establishment of a tribunal is the absence of a right of appeal should a racing animal—whether it be a racehorse, a trotter or a dog—be disqualified for more than twelve months. The honourable member for Albert Park may laugh, but animals are disqualified, and an avenue of appeal must be allowed. I hope the Minister will pick up that matter. Further, nowhere does the Bill state that an appeal must be heard quickly. I should like that omission to be corrected.

In its comments, the Victoria Racing Club raised a couple of areas of concern. One was that a person who is disqualified or suspended for twelve months or more can appeal only to the independent appeals tribunal and not directly to the controlling body. Appellants should have the right to appeal directly to the controlling body because it is expensive to make two appeals. From my discussions with people in all of the racing codes, it appears that there is no reason why such a provision should not be brought in; it will work well.

Another matter that concerns me is that there is room in the establishment of an appeals tribunal for a stay of execution. Where an appeal is allowed, the penalty is not imposed until the appeal is heard. I ask the Minister to put pressure on the Harness Racing Board to allow that privilege to trainers and drivers of trotting horses in Victoria. Harness racing is the only code in Victoria that does not provide for a stay of execution, and pressure must come from the Minister to correct that situation. Drivers and trainers of harness racing horses in Victoria should enjoy the same privileges as participants in the other racing codes.

The most important catalyst concerning the independent appeals tribunal was the recent Ararat Cup inquiry where people were charged, suspended and then reinstated. In an article written by Mark Harding in the *Age* of 3 June 1982, it is stated that, at various times during the inquiry, more than 30 legal representatives, including five Queen's Counsel, were in attendance and only rarely did the number drop below twenty. Costs of that inquiry were estimated to range between $250 000 and $500 000. That matter seems to have been a cause of embarrassment to some of those who provided legal representation, and I believe it would be fair if the Victoria Racing Club were to consider recompensing those people for their expenses in that inquiry.

The Bill provides a new distribution formula for the Totalizator Agency Board surplus between the three codes of racing. Much has been said, much has been written and much crystal ball gazing has gone on in an endeavour to determine what next year's turnover will be and how large a slice of the cake each code will receive. I do not think the suggested distribution is unfair; in fact, I regard it as equitable, considering the circumstances and looking at it on a broad scale.

The Totalizator Agency Board was established in 1961 when the trotting and galloping codes lent the Government the money to set it up. That money has since been reimbursed and the board is now a wholly owned Government operation and statutory authority, whose purpose is to benefit all areas of racing as well as the hospitals and the Department of Youth, Sport and Recreation. Subsequently, one factor that altered the distribution of the turnover was the after-race pay-out that was introduced last year. During the debate on that matter, assurances were given that the effects of the legislation would be monitored and that the matter would be picked up by a later Bill if one code was unfairly disadvantaged. The Bill picks up that matter because after-race pay outs advantaged galloping as opposed to the other two codes.

Another factor that advantages horse racing is that all galloping meeting are held in the daytime when the cash offices of the Totalizator Agency Board, which handle approximately two-thirds of the TAB turnover, are open until 7 p.m. Those offices are open and people can walk in off the street for only 60 per cent of the time during which harness racing is conducted, and they are open for an even smaller proportion of the time during which greyhound racing is conducted.

A proliferation of interstate betting on the galloping code has occurred. The Totalizator Agency Board operates on three interstate meetings every Saturday as well as on the English Derby, the Grand National at Aintree and many other events. I wonder whether it is the board's God-given right to take the profit from the English Derby, from Doomben or from other interstate meetings or anywhere else. I do not believe it is. It is the duty of the Government to keep the matter under control, and that is what the Government is doing. The distribution formula is fair and just.

Racing is on a high at the moment, but it is not always on a high. In 1971, racing accounted for only 66·56 per cent of the board's turnover, whereas today it accounts for approximately 74 per cent.

There is no doubt that one code of racing will decline and the others will pick up because those are the vagaries of the system. I believe it will result in a fairer distribution and allow galloping to gain more money at the expense of the other two codes.

I acknowledge that the racing codes believe they have been disadvantaged and the Minister stated in his second-reading speech that he would review the situation.

I do not disbelieve the Minister or think he is dishonest but promises are often made that legislation will be revised in six months or twelve months and that is often not done.

The Opposition intends to move an amendment to include a sunset clause so that the proposed legislation will be reviewed during the next session. That will enforce a review and appease some of the people who are totally opposed to the measure. The result of the proposed amendment will be to keep the Minister to his word.

I finally comment on the promise made by the Labor Party that after-race payouts would be introduced and payouts would be made to the nearest 5 cents to the actual dividend. Some time has passed since that promise was made. The community has now had after-race payouts for some time. The Minister was quoted in the *Sun* on 22 March 1982—just before the Labor Government came to power—as stating:

> The $6 million "rip-off" of Victorians investing in the TAB and lotteries would be stopped by a Labor Government, the Opposition said yesterday.
>
> Labor's youth sport and recreation spokesman, Mr Trezise, said about 600 000 Victorians were being fleeced of $100 000 each week by "pruning" TAB dividends.
>
> He said that pay-outs were now made to the nearest 5 cents below the actual dividend which meant a 78 cents dividend was paid as 75 cents.
>
> "We will adopt the New South Wales system which provides for dividends to be paid to the nearest 5 cents", Mr Trezise said.
>
> "For example, 78 cents would be paid out as 80 cents and 77 cents paid out as 75 cents", he said.
>
> After race TAB pay-outs would be introduced to bring Victoria into line with other states and to increase revenue.

A fair amount of time has passed since that statement was made and it is about time the Minister kept that promise.

I hope that by amendments made during the Committee stage the House will be able to make the proposed legislation even fairer for country racing.

Mr McGRATH (Lowan)—I wish to make some remarks on behalf of the National Party. This is a very important and controversial measure. Those persons involved in the metropolitan racing industry can see advantages in the proposed legislation and those involved in the racing industry in the country see it as a disadvantage to the promotion of racing, as one has known it in recent years.

One would expect that proposed legislation dealing with sport would be reasonably easy and straightforward to handle, but during my time as a member of this Parliament I have learned that proposed legislation relating to sport always seems to have some difficulty connected with it. Perhaps it is because sport has such wide parameters and concerns people from all walks of life. It does not matter whether people are rich, poor, strong, healthy or weak, they can have an interest in sport.

Some people believe they will be disadvantaged by the proposed legislation. The Minister has to decide whether he supports racing as a sport or as a means of generating revenue for the Government and the racing industry. That is the real decision that has to be made on this measure.

The racing industry is related to sport and should be supported on a sporting basis. The Minister has commented about the power of the Victorian Football League and

the fact that its control of Australian rules football has grown to almost a monopoly. I have seen that happen over a number of years. That is detrimental, to some degree, to Australian rules football throughout Victoria. Australian rules football has been centralized.

This measure will centralize thoroughbred racing and will later centralize harness racing and greyhound racing. The measure contains six main parts which are completely separate from one another. I shall deal with those one at a time.

The first item to which I refer is the proposed Racing Appeals Tribunal. That is a new context that is embodied in the Bill. The tribunal has been brought about by the fiasco of the Ararat Cup Inquiry when, although not completely proven, there were suggestions of malpractice in the running of the 1982 Ararat Cup. Since that time many media comments have appeared about the running of the Ararat Cup and a hearing was conducted by the stewards of the Victoria Racing Club.

I refer to an article that appeared in the *Herald* on 3 June 1982 which stated:

> Racing tribunal a must.
>
> The State Government must act now on racing inquiries and appeals. Surely this is the lesson from the Ararat Cup affair.

The article goes into detail. A couple of weeks later when some eloquent lawyers were engaged, the Victoria Racing Club was forced into a situation where it had to drop the charges. Those people who were involved were not found guilty and were not brought to justice as the Victoria Racing Club would have liked.

The tribunal is being enshrined in this measure. Most people who are engaged in the racing industry, irrespective of which code, can see value in having an independent tribunal.

Most sporting organizations, and many other statutory bodies, have independent tribunals. I wonder how much consultation the Minister has had with the people involved in the racing industry? The Leader of the National Party received a letter dated 28 May from the Chairman of the Victoria Racing Club, Mr Hilton Nicholas, commenting on the setting up of a tribunal through the provisions in the Bill. The letter states:

> It is unfortunate that this Bill would appear to be presented as a package for I feel that there is ample justification for delaying the section concerning the Appeals Tribunal. I believe that this has been ill-considered and needs much thought before the custom which has stood the test of well over 100 years should suddenly be supplanted by something that has had minimal thought and no discussion.

That thought was expressed by one of the key people in the racing industry speaking on behalf of the Victoria Racing Club and the Thoroughbred Racing Owner's Association. The Minister may like to explain whether he believes there has been sufficient consultation and discussion in the setting up of the tribunal.

Under the present system, if someone has been seen to contravene the rules of racing, the stewards lay charges and, if the person is found guilty, a penalty is imposed. If the person who has infringed the rules seeks to appeal, he must do so to a twelve-member committee of the Victoria Racing Club, which was the case in the inquiry into the running of the Ararat Cup. It may be that the accused person is one of the members of the committee, and that would place the committee in a difficult situation.

The setting up of an independent tribunal certainly has some merit, but I return to the fact that the Chairman of the Victoria Racing Club has stated that there has been minimal thought and no discussion on the matter. The Secretary, Mr Cox, and the Chairman, Mr Hilton Nicholas, of the Victoria Racing Club, came to see the Leader of the National Party and me this morning. While I appreciated the visit from those two gentlemen and agreed with some of their thoughts, I certainly did not agree with all thoughts expressed by them.

After listening to the two gentlemen, I will be proposing an amendment to proposed section 83K to be inserted by clause 2. It states that the tribunal shall hear and determine the appeal without the appellants having first sought any other remedy. I will seek to have the word "may" instead of "shall" included in the proposed legislation, but I will discuss that further in the Committee stage. They are the concerns that I have about the setting up of the tribunal after speaking to key members of the industry who have indicated there has not been

sufficient discussion with the industry before establishing the tribunal.

The second aspect of the proposed legislation relates to fixed percentage Totalizator Agency Board distributions to the three codes of racing. Like the honourable member for Gisborne, I believe there is a lot of merit in the proposal outlined in the second-reading speech of the Minister. There are concerns that harness and greyhound racing do not have the same appeal to punters as does thoroughbred racing. However, people from all walks of life support the various codes of the racing industry. It is to the Minister's credit that he has had the courage to decide that this should be the way in which an equal sharing of the Totalizator Agency Board's distribution should take place.

I know the Minister has had many problems from all sections of the industry in resolving this matter; he finally went to the Department of Youth, Sport and Recreation and asked it to come up with a recommendation along the lines included in this measure. The Minister has accepted that recommendation, and it has the support of the National Party.

The third and most important part of the measure relates to the rationalization of racing in Victoria. The word "rationalization" is a great word. It has far-reaching meanings and can be used to refer to a wide range of objects and pursuits. It is like "decentralization"; it can be a myth in so many cases, but I do not believe the Minister's idea of the proposed legislation is a myth. If the Minister is allowed to proceed with the Bill, it will be a severe blow to country racing. As the honourable member for Portland points out, by interjection, someone misses out. I am sure the honourable gentleman will be speaking on the Bill because I know of a club that was badly hurt by the suggestion that it should be delicensed. That club was the Coleraine Racing Club. The president of that club, Mr Tom Kane, is an influential person in the racing industry in the Western District. He and his committee members put up a strong case, and it is pleasing to see that they have retained a licence for that club. It took an enormous amount of work on the part of the committee to do so.

As to the rationalization of country racing, I want the Minister to consider some figures contained in the submission to the Minister for Youth, Sport and Recreation prepared by the Victorian Country Racing Council concerning thoroughbred racing in Victoria. The report was presented to the Minister in July 1982.

Paragraph 4.2 of the submission states:

> For upwards of 90 per cent of the people who go to the races and bet TAB racing is recreation, entertainment and a challenge. They are not professionally involved although they contribute the revenue that keeps racing active. Some, as honorary committeemen of the State's 80 race clubs, organise the meetings, others, as owners, provide the horses.

That is a key paragraph in the submission. Should the Government view racing as a sport or should the Government view racing as purely a means of revenue raising? In 1982, when the submission was made, the net prize money made available for thoroughbred racing was $10·6 million.

Mr Simpson—Quite a substantial amount.

Mr McGRATH—I thank the Minister of Public Works for that interjection. I have the figures on the money won by four leading horse trainers from August 1982 until the present. Colin Hayes has won $954 000; Murphy $1 006 000; Bart Cummings $454 000 and Maloney, $475 000. Four horse trainers have taken just on one-third of the available stake money available for thoroughbred racing. Two of those four trainers are based in other States.

During the period covered by the submission, 7890 horses were trained. The average cost of training each horse was $5410. The total cost of training those horses was $42·7 million. Horse owners were out of pocket by $32 million.

In most cases, horse owners train horses for recreation. It would not be an economic proposition for most horse owners to rely on horse training for a livelihood. Horse racing provides a social environment.

Mr Walsh—Ask Sangster.

Mr McGRATH—I would take up the interjection, but I am not a fan of Sangster. The majority of horse owners train horses as a recreation so that they can participate in a sport that they like. In most cases they love horses and the average horse owner loves to attend either a country or city race

meeting and say, "I have a horse running today".

If the Government centralizes and rationalizes the number of race meetings, that privilege will be denied to many country people who own horses. They will not bother to transport horses from the far distant corners of Victoria to the city on the off-chance of winning a race.

The Victorian Country Racing Council's submission indicates that during 1980-81 more than 63 per cent of the horses raced only in the country and only 7 per cent of horses raced only on city tracks.

Approximately 30 per cent of horses raced on both city and country tracks. Last season there were 32 973 starters in the country and 9115 starters on Melbourne courses.

The Bill is aimed at creating more opportunities for people to race their horses at city race meetings. If that occurs, it will be detrimental to the entire Victorian racing industry.

I have figures which indicate why country racing clubs are opposed to metropolitan racing clubs obtaining further race meetings on Wednesdays. The figures reveal that the Totalizator Agency Board investment turnover on Wednesday race meetings in the metropolitan area for 33 meetings in 1981-82 amounted to $93·398 million or an average of $2·83 million. For the same period of Wednesday race meetings in the country—including cup meetings, of which there were twelve—there was an investment turnover through the Totalizator Agency Board of $25·947 million, which was an average of $2·16 million. The other race meetings returned a turnover of $12·35 million or an average of $1·76 million.

The transfer of those country race meetings to the metropolitan track, will mean an increased turnover in revenue for the Totalizator Agency Board. However, on those Wednesday meetings when the country race tracks do not compete directly with the metropolitan race tracks, the cup meetings attract an average turnover of $2·16 million and on the seven non-cup meetings on Wednesdays at country tracks, approximately a turnover of $1·76 million was generated.

On Saturday or holiday race meetings, the Totalizator Agency Board turnover on metropolitan tracks is $331·388 million or an average of $5·26 million for each race meeting. The country race meetings also have the privilege of Totalizator Agency Board meetings on a Saturday and for 58 meetings the Totalizator Agency Board turnover was $11·160 million or an average of $190 000 for each meeting.

Those figures demonstrate that the country race meetings cannot compete against the metropolitan race meetings conducted on the same day.

People are not attracted on Wednesdays to betting just on metropolitan race meetings. A considerable amount of revenue is raised through the Totalizator Agency Board with country race meetings on Wednesdays. However, country race meetings fare badly on Saturdays when compared to the revenue raised on the metropolitan race tracks.

It is a significant point in my argument. For further comparison I obtained figures from the Victorian Racing Centre in Queens Road for the last Wednesday meetings held at the various metropolitan tracks. At Sandown, on Wednesday, 24 November 1982, which was the last Wednesday meeting at Sandown, the Totalizator Agency Board turnover was $2·2 million. At Caulfield, on Wednesday, 23 April 1983, the turnover was $2·2 million. At Flemington on Wednesday, 18 May, the turnover was $2·6 million. It will be seen from those figures that every Wednesday meeting should be held at Flemington because, according to the statistics, it produces $400 000 more in Totalizator Agency Board investment turnover than any other metropolitan track in Melbourne.

Further evidence that I wish to place before the House is a submission that was given to a few members by Mr John Eddy, one of the executive officers of the Bendigo Race Club. I quote a couple of paragraphs from his submission:

> It is certain that Country Clubs will be disadvantaged, not only financially but also by the decline in the quality of the horses racing in the Country. The number of racing days in the city will ensure that the City trainers who have been supporting the successful midweek racing circuit will not continue to support country racing as in the past as they will get the type of racing

in the Metropolitan venues that they have only been offered by the major mid-week Country Clubs in the past. This decline in the support for mid-week Country Racing will reflect inevitably on the Saturday non-TAB Racing Clubs as the horses racing at those venues now will be starting at the mid-week venues because of the decline in the quality of those meetings.

It is important to country people that there are no further Wednesday meetings held in the city so that the country clubs can keep up their standard. A further paragraph of that submission reads:

The Government has stated that no country clubs should be disadvantaged by the changes to Racing days but this does not give a guarantee to Country Clubs that this will happen and does not appear to be sustained by figures produced. On our figures it appears that only $210 000 would be available to be split between 15 mid-week Clubs and these are attached.

I seek leave to have those attached figures incorporated in *Hansard.*

Leave was granted, and the figures were as follows:

HOLDINGS 8 METROPOLITAN TUESDAYS

On Course		*Off Course*	
Local	*Interstate*	*Local*	*Interstate*
4 635 912	964 496	17 878 840	2 439 096

HOLDINGS WHEN TRANSFERRED TO WEDNESDAYS

5 751 904	1 060 440	22 088 384	3 572 016

INCREASE IN TURNOVER

1 115 992	95 944	4 109 544	1 132 920

HOLDINGS 8 COUNTRY TUESDAYS (Future)

1 393 592	223 824	8 746 424	1 296 280

HOLDINGS 8 COUNTRY WEDNESDAYS (Present)

2 023 928	500 552	12 588 840	3 271 056

LOSS IN TURNOVER

630 336	276 728	3 842 416	1 974 776

LOSS OR GAIN TRANSFER OF 8 TUESDAYS FROM COUNTRY TO METROPOLITAN

+485 656	−180 784	+1 267 128	−841 856

TUESDAYS

METROPOLITAN

On Course		*Off Course*	
Local	*Interstate*	*Local*	*Interstate*
475 712	120 873	2 033 279	275 691
668 270	146 932	2 381 056	336 062
577 201	108 562	2 353 816	301 365
589 321	105 982	2 084 955	306 432
586 942		2 321 172	
2 897 446	482 249	11 174 278	1 219 550
AVERAGE			
579 489	120 562	2 234 855	304 887

Interstate Figures are for Sydney Metropolitan Meetings.

COUNTRY

On Course		*Off Course*	
Local	*Interstate*	*Local*	*Interstate*
93 379	27 881	784 576	112 282
115 292	19 181	1 037 482	140 555
164 214		1 141 902	
252 888	31 470	1 186 944	122 400
144 897	26 105	1 159 556	119 179
127 636	35 253	1 056 841	315 762
224 864		1 146 788	
165 487		1 137 859	
169 135		1 187 779	
1 567 792	139 890	9 839 727	810 178
AVERAGE			
174 199	27 978	1 093 303	162 035

Interstate Figures—First four for New South Wales Provincial Meetings and Last Figure for Sydney Metropolitan.

WEDNESDAY

METROPOLITAN

On Course		*Off Course*	
Local	*Interstate*	*Local*	*Interstate*
829 953	173 038	2 980 283	564 516
449 025	93 045	2 205 338	413 489
905 377	131 583	3 468 993	344 626
574 774		2 424 123	
664 861		2 503 195	
889 939		2 984 360	
4 313 929	397 666	16 562 292	1 322 631
AVERAGE			
718 988	132 555	2 761 048	440 877

WEDNESDAYS

COUNTRY

On Course		*Off Course*	
Local	*Interstate*	*Local*	*Interstate*
184 739	113 663	1 329 983	467 399
74 731	30 982	1 093 997	260 654
189 474	79 611	1 231 290	462 641
402 153	68 143	1 626 470	381 266
262 578	83 666	1 756 162	531 901
271 544	78 963	1 339 994	364 412
90 639	64 537	974 545	540 337
103 924	40 017	1 087 011	460 547
169 880	54 084	1 161 639	463 937
240 215	109 548	1 323 627	530 227
233 137	45 348	1 468 486	386 493
322 150	76 163	1 558 132	413 536
250 896	23 719	1 496 701	264 925
331 680	40 541	2 069 953	363 533
322 677	55 157	2 007 565	381 490
366 593	67 219	1 706 935	351 313
409 439	38 354	2 590 024	384 038
445 113	56 533	2 211 425	351 241
189 731		1 736 271	
222 555		1 736 271	
212 934		1 396 261	
349 983		1 706 935	
172 035		1 583 257	
5 818 800	1 126 248	36 192 934	7 359 890

AVERAGE

252 991	62 569	1 573 605	408 882

Mr McGRATH —Mr Eddy has pointed to a significant point in that last paragraph that I read in relation to country racing clubs not being disadvantaged, which the Minister mentioned in his second-reading notes. The Minister has said many times that under this Bill country racing would not be disadvantaged financially. I ask the Minister to reiterate that statement.

If I may talk at a local level in relation to country clubs that I know very well. I was fortunate to receive a substantial letter from Mr Gerald Feeney of the St Arnaud Racing Club, which is a well-known racing club, and Mr Feeney has had thoroughbred horses racing for a long time, horses such as Sporting Lass and Sporting Spirit, which have raced successfully at country meetings and have started on odd occasions in the metropolitan area. I quote from the submission of the St Arnaud Turf Club Committee:

> The St Arnaud Turf Club Committee is in a quandary as it ponders the recent developments with regard to the allocation of racing days for the '83-'84 racing season by the Racecourses Licenses Board.
>
> It appears that the recent allocation of meetings by the R.L.B. to racecourses will see the St Arnaud Club only allowed to race on three Saturday meetings in comparison to the present allocation of four Saturday meetings and one Friday T.A.B. meeting.
>
> This situation is particularly perplexing to the St Arnaud Committee, as the St Arnaud Club has raced with easily evidenced success over past seasons.
>
> The Club boasts a present bank balance credit of $29 750 .00 and will conduct a T.A.B. Meeting on Friday, May 6th, offering $14 710 in stakes and trophies.
>
> Further evidence to the continuing success of the St Arnaud Club can be seen in the recent announcement by the St Arnaud Committee that due to the sound financial base enjoyed by the Club, float rebates will be increased by 100%.

The Minister has said that he sees the necessity to rationalize racing in Victoria because of the float rebate provisioning, but this country club is prepared to increase the float rebate by 100 per cent.

I quote further from the submission:

> The efforts of the majority voluntary administration within country race clubs enables clubs such as St Arnaud to provide quality racing and excellent stake money, without suffering crippling administrative overheads.

That paragraph is relevant to many racing clubs in country Victoria, such as Horsham, Warracknabeal and Murtoa. Warracknabeal had a $1·1 million turnover on the Totalizator Agency Board at a Friday meeting, Murtoa, a $950 000 turnover on the TAB, and St Arnaud, at a meeting on 6 May, had a $1 million investment on the Totalizator Agency Board. People are prepared to support meetings in the country and to invest on the TAB. Today, my colleague, the honourable member for Swan Hill, made a call to the President of the Swan Hill Racing Club, Mr Wilkinson, and the stand that was taken by the National Party was endorsed by Mr Wilkinson.

It is worth noting that 90 horses are in training at the Swan Hill racing centre. It is rather interesting to examine the submission of rationalization of thoroughbred racing of 16 November 1982 from the Racecourses Licences Board. It indicates that in the Ballarat district 540 horses are trained on six racecourses. In Gippsland, 489 horses are trained on five racecourses. In Mildura, 80 horses are trained on one racecourse. In the northern district, 770 horses are trained on eleven racecourses. In

the north-eastern district, 744 horses are trained on nine racecourses. In the Western District, 138 horses are trained on one racecourse. In the Port Phillip area, 1610 horses are trained on six racecourses. In the south-western area, 709 horses are trained on ten racecourses. In the metropolitan area, 1549 horses are trained on four racecourses.

Those figures indicate the wide distribution of training facilities in Victoria. By centralizing racing opportunities in Victoria, one notes a marked decline or diminishing of racing as an overall sport in Victoria. The Minister is trying to achieve a lift in the industry for a few people. The Premier talks about one vote, one value in this place, but that does not seem to exist as a philosophy in relation to one horse, one value. The racing industry in Victoria operates under its own initiatives and, in many cases, rationalizes without Government intervention. In the district I represent, the Apsley Racing Club now races at Edenhope and the Sheephills Racing Club now races at Warracknabeal. These types of moves have taken place right throughout Victoria. Some back-bench members of the Government scoff and laugh at country places such as Apsley and Sheephills. I remind them that people in those places are still part of Victoria and contribute to the economy of Victoria, just as does anyone in the central part of the city. Government supporters should remember that, because if they do not remember it, the voters will transfer over to this side.

The move in this Bill to give the Racecourses Licences Board power to move meetings from one district to another is opposed by the Victorian Country Racing Council. I shall quote a submission from the council signed by the secretary, Mr Shannon, which was mailed to me on 25 May 1983. It states:

> The Council is opposed to any amendment which would empower the R.L.B. to transfer meetings across District boundaries without the Council's approval.

I ask the Minister to bear that in mind as the Bill passes through this House. The Bill also provides for the cost of essential racecourse equipment to be met from the Racecourses Development Fund. The fund has been set up and funded from proceeds from the racing industry. The National Party has no objection to those funds being used for essential equipment, which would improve the standard of racetracks and facilities surrounding those tracks. The last amendment in the Bill will allow the patrons who are attending thoroughbred and harness racing meetings to bet on greyhound meetings. That move is supported by the National Party.

As I said at the outset, the Bill is controversial and will once again divide city and country Victoria. It is the type of measure that many country people find offensive. Many people in the racing industry have had a life in that industry. With rationalization, their support would be lost and they would drop out of the sport, rather than participate in it, at the high-powered level of the metropolitan scene. I ask the Minister again whether the racing industry will generate money for the Government for a few select people at the top of the industry, or is it a sport for enjoyment of all people throughout Victoria and something that can be enjoyed and participated in at a local level. I urge the Minister to consider the racing industry as a sport for the people of Victoria.

Mr WALSH (Albert Park)—I start my contribution by dealing with the query by the honourable member for Lowan on whether the racing industry is a sport or a business. I assure him it is more than just a sport. People employed in the industry depend on it for their livelihood. Many thousands of them go to work every day, rising early in the morning to do track work, rake out the stables and look after horses. Many other areas of employment are also involved. The Government does not treat it as a sport. It may be a sport in some areas, but it is certainly more for people employed in the industry and who earn their livelihood from it.

I congratulate the Minister for Youth, Sport and Recreation on his first year in that portfolio. He is not like the former Minister for Youth, Sport and Recreation who, in my first three years in this House, did little in the sporting area and who was grandstanding as some sort of footballer, but did little in the racing industry and other sporting facilities covered by that portfolio. I congratulate the current Minister because his door is open and he has been involved in nearly every area of sporting activity. That is a feather in his cap and has never been done before.

The Bill before the House relates to the administration of racing in this State. Some members will be parochial and look after their own electorates in order to win votes. It may be that horses may vote in some electorates. I always thought that country members were elected by sheep and cows, but apparently they have another area of votes. One of the most important parts of the Bill is the provision for the appointment of an independent tribunal. The former Government never had the courage to implement a tribunal of that type. It talked about introducing it and the first part was in the greyhound code. It was put to Parliament, passed through all stages and proclaimed, but never implemented.

The Labor Government is fair dinkum about racing. Part of the policy that went to the electors in April 1982 was that an independent tribunal would be set up to hear appeals against decisions of stewards and controlling bodies. The proposed legislation spells out regulations for the three codes. Some problems exist. In some areas, races involving the people concerned, can still be held while an appeal is being heard. This does not occur in the harness racing area and negotiations may have to continue in that area.

I refer to the Ararat Cup inquiry which brought matters to a head. A fiasco occurred with that inquiry which caused embarrassment to many people. It was like a continuing serial. In February 1982, 31 people were interviewed by stewards. All were concerned about the running of Garry Bruce in the Ararat Cup. After some time ten people were accused of race fixing. Five jockeys, one trainer, one bookmaker and three part-owners were charged with offences concerned with the running of the Ararat Cup and racing in other codes.

What happened? A member of the Victoria Racing Club spoke to one of the witnesses before the tribunal. How naive! I understand that in another case, the same person spoke to another witness before the committee of the Victoria Racing Club. Justice has not taken place for the people involved in the racing industry. The barristers involved in the case made their $1500 and one of the committee members, who was to testify, went overseas while the inquiry was on. That makes a joke out of justice. A penalty was placed on two jockeys. I refer to Mr Dawkins and Mr Skelton, who are well respected jockeys within the galloping code.

A decision was made and within two hours it was changed and they were allowed to go back into the system. Therefore, it can be seen that the establishment of an independent tribunal is a must for the racing industry. It will form part of the proper administration and look after the people involved so that the events surrounding the Ararat Cup are not repeated.

A further case involved the barring of a Mr Jacobson from the racecourse in 1976. He had to take the matter to the Supreme Court and that court allowed him to go back to the racecourse. He had been barred from attending the racecourse by the controlling body. The Victoria Racing Club had to pay the costs, but that gentleman and his family were embarrassed because of the pressure of the situation. I do not know the gentleman, but he had to go to the Supreme Court to get a fair hearing so that he could be admitted to the racecourse.

The case involving the Ararat Cup would have cost the Victoria Racing Club in the vicinity of $400 000 to $500 000. It was money down the drain for what turned out to be a fiasco. I do not know what it cost the accused. Some of the people charged will be up for $40 000. There is no reimbursement; the money will have to come out of their own pockets.

The proposed tribunal will consist of a legal practitioner who is accepted in the industry and who will be in a position to understand the problems of the law and be able to make appropriate judgments. That legal practitioner will be assisted by two advisers who will be appointed by the Minister from a panel of names of persons who have a good knowledge of the particular code of racing.

Appeals may be made direct to the tribunal if the stewards suspend, disqualify or warn off a person for at least twelve months. The honourable member for Gisborne asked about animals. If an animal is disqualified or suspended under the rules, the jockey, owner or trainer will be heard by the tribunal. If one is speaking about animals that have been suspended for bleeding, the suspension would be automatic and the rules

of the particular local club would be followed. The racehorse Manikato bled and was suspended for three months. That is the situation throughout the Commonwealth. I am happy and thankful that the Minister has incorporated that provision in the proposed legislation.

The Government wants to facilitate an efficient racing industry. When the current Minister was appointed, he directed the Racecourses Licences Board to investigate and report on the rationalization of the thoroughbred racing industry. This direction was given during 1982.

If honourable members have not read the report, I suggest they do so because it covers a vast area and includes a number of important statistics, some of which have been quoted tonight. The report illustrates why rationalization must take place.

The report recommended that four country racecourses be delicensed. After consultation with the board, the Minister and local members, it was decided to delicense only two country racecourses, namely, Kaniva and Chiltern. The Government could have delicensed the four racecourses, which was a separate decision made by the Racecourses Licences Board. How many country racecourses were closed by the former Liberal Government since 1969. In 1969 there were 70 country racecourses in this State and today there are only 54. With the closure of racecourses at Kaniva and Chiltern, there will be 52 country racecourses in Victoria.

Those 52 racecourses, even with the rationalization and the extra city meetings, will still share 400 race days a year. Those race days will still be allocated to country racecourses. At present, there are only 84 metropolitan race meetings a year and two-thirds of the population of Victoria lives in the metropolitan area. Therefore, the majority of race meetings which are held in the country are catering for only one-third of the population. Of the Totalizator Agency Board bets, 80 per cent is invested by bettors in metropolitan areas. The Government is planning to increase mid-week racing in the metropolitan area. In 1939, and some honourable members can go back to that racing era, there were 92 city meetings a year.

Mr Ross-Edwards—Too many!

Mr WALSH—The Leader of the National Party may say that—it was changed for reasons of the second world war because there used to be only 253 race days and now there are 400 race days. The Government intends to make sure that an extra twelve city mid-week race meetings are held. There will be 33 Wednesday meetings, which is in the interests of all concerned in the racing industry.

I assure honourable members that this decision is welcomed by the racing industry. Honourable members should not be parochial. They should go around the State and talk to everyone. Many people in the racing industry in the country areas want extra race meetings in the cities. They have to keep their horses, they must train them, and they must derive a profit. The decision is welcomed by these people because it is in the interests of the racing industry. As a result, racing will receive greater promotion and more recognition will be given to it. There will be an interest in the off-course tote on the Melbourne meetings for country meetings on those Wednesdays. The additional revenue that will be raised will go to the Government, hospitals and charities and to the areas where the Totalizator Agency Board money now goes. Increased prize money will be available for both city and country race meetings.

A provision that has been in the Act since 1928 is being repealed. It restricts race meetings from being transferred and the removal of this restriction is in the interests of country and metropolitan racing. One cannot live in the horse and buggy days. Progress should be made. There is now a modern transport system as a result of the initiatives of the new Minister of Transport. There has been a change in the pattern of the lives of those in the country as a result. One must examine where to develop the best racecourses for horse racing, training, and so on. The Racecourses Licences Board should have a say in where those facilities are and how they should be used.

At Geelong, which has had the largest population increase of any country town in Victoria, there are fewer country meetings than at Moe, Traralgon, Sale and many other towns. The Victorian Country Racing Council's report to the Minister urged that more meetings be held in some country areas and recommended that the meetings

in Geelong be increased by a further five. It recommended an extra two for Mornington, an extra two for Sale, an extra two for Warrnambool, and the new honourable member for Warrnambool should be happy about that, and an extra one for Wangaratta.

What did the Racecourses Licences Board do this year for allocations? In Geelong, there has been only an extra four whereas the Country Racing Council recommended five. The council talks of these districts in groups and those with an understanding of the racing industry will understand the council's reference to group 1 where it states that in group 1 an extra fourteen meetings have been allocated. Members of the Opposition do not understand the racing industry. They do not even know how racing dates are allocated. The honourable member for Gisborne said that three people allocated the racing days in country areas and I inform the honourable member that this is not true. When an allocation comes up, both the country racing and district representatives are present and the district representative is an independent judge and person. It is those people who allocate in that district where horses and meetings will be. I suggest that the honourable member examines that system in the interests of racing in Victoria.

I welcome the provisions in the measure for the sharing of the surplus of the Totalizator Agency Board revenue. All sections of the racing industry rely heavily on their share of the revenue, whether it be harness racing, greyhound racing or galloping. All honourable members know the areas that have been affected since the introduction of the after-race payout and it is about time that the percentage was examined. The percentage may not put enough in two areas, but there will be incentives for an increase in their percentage for the 1983–84 year.

The Totalizator Agency Board belongs to the Government of the State and the revenue raised belongs to the Government. If it were not for the board being set up by the Liberal Party Government, there would have been more financial problems throughout the State. It is a Government body and so it should be. It is not entirely for the benefit of one industry. I should have liked to have set down certain other provisions in the measure in that regard. However, the measure has been drafted to put some sanity into the industry for the benefit of all those who are involved in the industry.

An additional $3 million on top of last year's revenue will be allocated to all those industries. The galloping industry will receive an extra $2·3 million on its 1982–83 share of funds. The harness racing industry will receive an increase of some $500 000, and the greyhound industry will receive a little less than $250 000. Therefore, each code is getting a guarantee of an increase each year, and each code will have the opportunity of increasing its share of the funds so that it can promote, and it should promote, the industry.

Some matters that were mentioned by the honourable member for Gisborne should receive comment. I certainly join with him in saying that the possibility of the Totalizator Agency Board opening for longer hours should be examined. I do not disagree with that concept. My reason for saying that relates to the Government's decision to give radio station 3DB the contract to broadcast all the Totalizator Agency Board meetings.

On this formula, the Minister has given an assurance that it will be reviewed in six months time to ascertain whether one code is receiving some sort of advantage over another. That will allow the situation to be examined and reassessed and will provide a progress report on how it is going.

I welcome the Bill. I share the view of the Minister that it will be in the interests of all racing codes and I am sure that, once the measure is put into practice, it will be obvious that it is good for the racing industry. I am sure that if members of the Opposition were to reconsider the contributions they have made tonight, and if they re-examined what the proposed legislation is trying to say, they would realize that it will be good for the racing industry and would be proud and happy about those codes being able to enjoy a satisfactory level of funding. I commend the Bill to the House.

Mr LIEBERMAN (Benambra)—One thing is certain, and that is that, whenever a racing Bill is introduced into Parliament, it generates a great deal of interest, debate and much controversy in the community. It was interesting to note that in 1975, when the mid-week racing measure was introduced—that was at a time when the current Minister was the Opposition spokesman on

racing—it proposed to introduce a number of changes, one of which was that it would be no longer unlawful for a female to act as a bookmaker or a bookmaker's clerk. Therefore, in 1975, it appears that the racing industry was ahead in terms of anti-discrimination laws.

I should also like to mention that, prior to the measure hitting the deck in this Parliament, so to speak, there was much discussion in the community and in Parliamentary circles about the view of the Labor Party caucus on the future of racing. Honourable members would recall, as I do when speaking in this debate, the incident relating to the paper that dropped off the back of the truck, which had allegedly emanated from the Labor Party caucus meeting on racing.

The SPEAKER (the Hon. C. T. Edmunds)—Order! I advise the honourable member that the honourable member for Gisborne is leading this debate on behalf of the Opposition and I suggest to the honourable member for Benambra that he come back to the Bill.

Mr LIEBERMAN—The comment I wish to make is pertinent to the Bill because it relates to the policy on racing which has emanated from the Labor Party, which constitutes the Government of this State. I recall that the document I mentioned, which was a prelude to this measure, suggested a number of very dramatic changes to be made in the industry, one of which was to introduce a tax on the service fees, or it was arguing that there ought to be a tax on the service fees, in the industry in this State. That tax was to be a tax arranged in conjunction with other Labor Party State Governments in Australia.

Mr TREZISE (Minister for Youth, Sport and Recreation)—On a point of order, I point out that the honourable member is drifting off course to a large extent. With reference to the paper he is talking about, quite frankly, I have never seen or heard of the paper. Therefore, I should like to look at the paper. The honourable member said it came from a Labor Party caucus meeting. I suggest that the honourable member return to the Bill and not suggest that that paper was a Government discussion paper.

The SPEAKER—Order! That is not a point of order but a point of explanation. I inform the honourable member for Benambra that a passing reference to the matters he raised is in order and, as he would well know, is accepted by the House. However, I will not tolerate the honourable member going off on tangents and leaving the Bill alone. I ask the honourable member to speak to the Bill.

Mr LIEBERMAN (Benambra)—I shall certainly return to the Bill because I do not wish to upset you, Sir, or the Minister. The Bill has obviously been a measure to which the Minister has devoted a great deal of time and attention. As the member for Benambra, I should like to thank the Minister for the time and attention he gave me and my constituents after the Racecourses Licences Board report was released. The effect of that report on some of the communities in the electorate I represent was quite electrifying and worrying to some of them, and the Minister was good enough to agree to receive a deputation from the two clubs in the electorate, the Chiltern Race Club and the Wodonga Turf Club. The Minister also inspected the courses and I should like to thank him very much for the intervention in which he was involved and for the time the board gave to the various committees.

One of the sad parts of any rationalization is that someone seems to suffer or to lose. Honourable members should note that one of the clubs, the Chiltern Race Club is to be delicensed. It is one of the oldest, if not the oldest, Country racing club in Victoria. It is more than 100 years old and, according to my understanding of the decisions that have been made, that club is to be delicensed. I do not believe it is appropriate that Parliament should allow this measure to be debated without at least remembering the contribution that has been made by all of the committee members of that club. The club provided a tremendous racing facility and much entertainment to the people in this State.

The New Year race meeting of the Chiltern Race Club is one of the most enjoyable and informal race meetings one can attend. I should like the Parliament to at least reflect on the implications of the rationalization as it effects a lot of good people who have given their time, in most cases in an honorary capacity, to the promotion of racing as a sport, as an industry, and as an employer of people. It has also provided a great venue

for entertainment for the people of the State and for visitors.

Another club in the electorate I represent is the Wodonga Turf Club, which is also an old club. According to a preliminary report of the Racecourses Licences Board, it appeared that the club may well have been put in a position of losing the race meetings which it had fought very hard to obtain. The year before the Racecourses Licences Board report was released, that club was granted additional race meetings and then, to everyone's dismay, the report suggested that the Wodonga Turf Club should lose meetings. Had that taken place—and I am not overstating the position—it would have meant the end of that great club because the morale of the committeemen, the people who devote their time to working very hard to improve the track and amenities and to foster the sport of racing in the community was low when they learned that their efforts, for which they thought they had been rewarded the year before, looked like being thwarted.

I am glad to say that that will not happen, and that, owing to the rationalization, the St Patrick's race meeting of Chiltern will be transferred to Wodonga which will give Wodonga another race, under the name of the Chilterns St Patrick's Race Club. That name will continue to exist. Owing to an arrangement which I do not fully understand, another race will be held in Wodonga as well as the traditional Friday Totalizator Agency Board meeting. Therefore Wodonga seems to have survived out of all this. There is still some doubt, and perhaps the Minister can enlighten the House on this, about the ultimate allocation of the race meetings from Chiltern. It is not clear whether they will go out of the north east or remain in north eastern Victoria and to which clubs they will go. I suggest to the Minister that if it is possible to identify the race meetings that will go from Chiltern to other clubs in Victoria, hopefully to north eastern Victoria, in view of the history and tradition of the Chiltern Race Club, that would be extremely appropriate. Perhaps the races that will become part of the programme of country race meetings could be named after the Chiltern Race Club. The Minister interjects and says that would be up to the clubs themselves, and I acknowledge that; perhaps the suggestion could be made to them.

The honourable member for Gisborne, the shadow Minister for Youth, Sport and Recreation, put to this House an excellent contribution on behalf of the Opposition and on behalf of the various interests in racing. He has obviously spent much time discussing, examining and considering their views. He has behaved courageously in putting the case as he has. All honourable members would have noted in the past two weeks the publicity generated by the policy put forward by the shadow Minister. Without in any way wishing to criticize those who have put a strong case against the policy of the shadow Minister because it is their right to do that in a democracy, I point out that they would have much admiration for the shadow Minister for having the fortitude to argue his case through. He obviously believes in it and considers there are more factors to be taken into account other than the pure financial factor put forward so vigorously by some of the city race interests.

I do not know a lot about racing, although I enjoy it and was a member of a race club for a while. The thing that strikes me most about racing is that it is a people's industry and a people's sport. It is not just about money, although vast sums of money are involved. As the spokesman for the National Party said, people with small wages can enjoy the sport just as people with large wages can. I wonder how long they last when they do! It is an interesting and fascinating industry and sport.

One of the messages that comes out of the contribution made by the shadow Minister for Youth, Sport and Recreation is that, in deciding a policy about the future of racing and in deciding questions of rationalization, it is unsafe and unwise to make decisions solely on the financial consideration. Of course it is important to consider the viability of racing and the revenue potential and the sources of revenue; that cannot be ignored. As I understand it, the honourable member for Gisborne is putting forward another dimension to the argument. He is saying that for racing to be successful in the metropolitan area and it obviously is— it is a dynamic and successful industry and the Opposition is very proud of it—it must be sustained not just by revenue, although revenue is important. The other area in which it must be sustained is participation and interest and involvement. In some cases that is hard to

see. It is under the surface and a little removed. As the shadow Minister said, the number of people actually involved in racing in country Victoria is mind-boggling. The number of horses being raced, the number of trainers and the number of jockeys and owners far exceed the number involved in the metropolitan area. The Minister correctly says that it is not necessarily *pro rata* across the State, and that it is in pockets of the State. In the area that I represent, many horses are being trained in Wodonga, Chiltern and Wangaratta. There are not many at Chiltern but a large number use Chiltern occasionally and are also trained at Wodonga and Wangaratta. It is the people I have mentioned and their interests and the interests of their families that generate the strength of racing and also help to make racing in Melbourne strong.

The Opposition perceives the suggested rationalization, to which the shadow Minister has foreshadowed an amendment during the Committee stage, as weakening that essential input from country Victoria and that nexus should be preserved. The Opposition is not being protectionist in putting forward this view. It is being pragmatic and is recognizing that that is the case and that is the history of the industry. That is how the Opposition hopes it always will be.

The shadow Minister has also said that he contemplates putting to the Committee a sunset clause which will enable the Parliament to review the operation from a revenue point of view of one area of the Minister's Bill. I imagine that sunset clause, if accepted by the Parliament, will enable all honourable members to reflect in a year's time or whenever the shadow Minister proposes, on the operation of the industry, as rationalized in part and on the way in which the country and metropolitan industries have sustained themselves and prospered in that time; therefore none of us should close our minds to the outcome of the rationalization of this dynamic and exciting industry. In a way I regret that in some areas the dialogue on this controversial Bill has been defined as a city and country issue. I do not believe that is an accurate description of it although the people involved come from the country and from the city. It is simply a question of making up one's mind and making a value judgment on how one can maintain the viability, stability and relationship between city and country people and residents in the industry in this State.

It is a challenge to us to ensure that whatever happens in the country in racing is complementary to what happens in the metropolitan area, and vice versa. The views of many people in the country, which were adequately put to the House by the shadow Minister, indicate that people in the field in the front line, who are responsible for the viability of country race clubs perceive that, in their experience, the Minister's suggestion regarding race dates will damage the future of the race clubs that they represent. I do not think we should pass over their views and dismiss them out of hand and I know the Minister is not purporting to do that in his policy, but it is incumbent on us, because the industry is so old and so interwoven with our life and quality of society, to give the race clubs in the country the opportunity of having their views tested and of being able to remain as they wish.

I am not attempting to weaken the situation involving the metropolitan race clubs; far from it. The Opposition wishes to see those clubs continue to grow and prosper. Another aspect that deserves comment is that reading the newspapers over the past few months has been more than fascinating. The Minister makes a decision that he would like funds directed to the greyhound and harness racing industries to give them a boost for which they have argued. Those funds are to come through the additional income generated from the racing industry.

That decision has generated a lot of interest and even heartache in some areas. I understand that some of the metropolitan racing people believe that is a burden which they should not be asked to bear. Some of the country race clubs have expressed the same view. I am not an expert to make a judgment in this matter but it is important that a Parliament led by a Minister who has obviously thought about the matter should try to support the harness and greyhound racing industries which are suffering a downturn and increasing overheads.

Is the Minister right in asking the racing industry to bear that burden? The view expressed by the racing industry is that it is not fair. On balance, the Minister considers that the racing industry is able to bear the burden. I am not in a position to judge but the matter should be carefully examined.

Perhaps the sunset clause proposed by the honourable member for Gisborne will give the House an opportunity of examining that aspect.

I am prepared to foreshadow that there will be no criticism made of the Minister if after twelve months the arguments that were put forward against his view turn out to be correct. The Minister should be commended for trying, but unfortunately, in doing so he will place pressure on country race clubs because the extra race meetings needed in Melbourne to support the harness and greyhound races has generated concern amongst country race clubs. Again, I do not know enough about the matter but that situation is true as a result of what has happened.

The situation is a vivid illustration of decision-making. By making a decision, pressure has been brought to bear on certain areas and changes are implemented throughout. Those are the dynamics of the industry and they cannot be avoided. We must be prepared to live with them and have the courage to tackle them.

I thank the Minister for the help he gave me in the electorate I represent, in particular in Wodonga. I am sorry he was not in a position to save the Chiltern club; however, there is still a possibility that the decision made by the Minister to support Wodonga will help overcome the loss suffered by Chiltern. It is hoped that the people from the Chiltern area will enjoy the extra viability of the Wodonga club, which is close to Chiltern.

Mr BURGIN (Polwarth)—I shall deal with the clause that is attempting to rationalize racing in Victoria because I agree to the other measures in the Bill. The debate that has taken place has been interesting, as has been the lead-up to it, because it is about transferring country race meetings to metropolitan areas to generate more dollars in the Totalizator Agency Board to go back into racing. I have no doubt that more money could be generated through the Totalizator Agency Board by additional city meetings; I am not arguing that point. I accept that it will generate more dollars but when one examines how the money is intended to be generated by reducing country race meetings and shifting them to the metropolitan area, I express grave concern at the method used to generate additional money for the Totalizator Agency Board.

The Racecourses Licences Board 1981 review contains some interesting matters, which illustrate how the situation has progressed under the new Government and how it has tried to rationalize thinking to achieve these ends. The report states:

> There is much talk of rationalization as a part answer to the financial problems of country race clubs. However, the economic benefits of closing more of the smaller country racecourses are not as significant as most people think. Small clubs receive little from the Racecourses Development Fund and their closure would make no significant contribution by way of redistribution of Boards funds to larger clubs.

Another section is worth keeping in mind and states:

> ... The maintenance of most of the existing country racecourses including those with only one race-meeting a year like Gunbower and Great Western, is ardently desired and supported by the local communities concerned. It would be inconsistent with the recreation policy of the Department for Youth, Sport and Recreation to remove from these small communities what, in fact, represents one of the major recreation activities of that community.

That was the thinking of the Minister for Youth, Sport and Recreation at that time, as stated by the Racecourses Licences Board, and it was the thinking of that board. I could continue to pick out other sections but I do not wish to take any more time of the House than I have to.

The lead-up to the debate and the review that was released and produced for the Minister for Youth, Sport and Recreation by the Victorian Country Racing Council is also interesting. I compliment the Minister on the way he received deputations from the different clubs involved in the making of that document, the way he received them and the hearing he gave them. It was my impression that those deputations went away extremely satisfied with the Minister's way of handling them but as an old timer who has been here for some years I saw it slightly differently. At all times I saw the Minister keeping himself at arm's length from the decisions being made. That is fair enough. That is up to the Minister.

The Minister kept himself divorced from the policies and I accepted that that was

probably how the situation was. I was still of that opinion until I heard the speech by the honourable member for Albert Park. When the honourable member made his speech tonight he said, "We did this. We made this decision," I do not know whether the honourable member for Albert Park is the chairman of the Minister's racing committee or just a member of the committee but he gave an entirely different impression of the thinking of the Government on these matters. The impression was quite different from that given to the deputations by the Minister.

The honourable member for Albert Park said the situation involving the 3DB radio station was a feather in the Minister's cap. In this House the Minister said that it was not his decision, that it was a decision made by a group outside the Totalizator Agency Board.

The honourable member for Albert Park said that the decision concerning radio station 3DB was a feather in the Minister's cap. I have a different impression of the Minister's role and of the Government's role in these matters from that which I had previously. Perhaps the Minister is still of the view that he should be at arms' length!

In reply to the Minister's interjection, I am talking about what the honourable member for Albert Park said in his speech a few moments ago. During this debate, whether the Minister likes it or not, we have reached the stage where it has been admitted that the Government has been deeply involved in the decisions that were reached.

I quote now from the submission to the Minister for Youth, Sport and Recreation by the Victorian Country Racing Council. In its opening pages it contains a letter from John Cain, the Premier of Victoria. As honourable members all know, John Cain is a fair and reasonable person; he always presents himself that way. He says:

> The Government supports the continued growth of Victoria's thoroughbred industry, in view of the important role it plays in generating employment, especially in country areas . . .

So the Premier of Victoria does not hold the view that country racing should be damaged in any way. He has the view that it is an important part of the racing industry and an important part of country life. In his own heart, I am sure the Minister believes that, too, but he has the problem that Treasury and other sections of the Ministry are chasing funds. That is the crux of the problem.

Other interesting points are contained on page 3 of the report. In paragraph 1.1 of the introduction, it is stated that:

> The Victorian Country Racing Council has been asked by the Minister for Youth, Sport and Recreation to submit proposals on "The Rationalization of Racing" . . .

So the report was commissioned by the Minister! Paragraph 1.3, states:

> The Minister for Youth, Sport and Recreation has asked the Council to address itself to two proposals which could have serious effects on the future of Country Racing—
>
> 1.3.1 the closure of country racecourses.
>
> 1.3.2 the transfer of country race days to the metropolitan area.

That is what the Minister asked the council to report on. Paragraph 1.14 contains a further interesting statement:

> The Council has inferred from discussions with the Minister that the Government also wants to obtain more revenue from racing and expects this to be achieved by increasing betting turnovers on additional meetings in Melbourne.

That is an important statement. I do not know whether that impression was wrong but it seems to me that, in discussing this matter either with the Minister's officers, the Minister himself or the Government, the council obtained the impression that the end result of the report was that the Government wanted more money to come from racing. The Minister seems to be objecting. I am only reading what is contained in the report. It says that "it has been inferred from discussions". I do not know whether the council is right or wrong, but that is written in the report. Paragraph 1.15 states:

> The council fears that the Government has overlooked some of the basic problems concerning racing and that its strategies do not provide for the betterment of racing overall . . .

That is an understatement.

Mr Trezise—That is their view.

Mr BURGIN—Of course, it is the council's view. That is what I am reading. The council is comprised of people who are involved with racing, and they say that the Government's strategies are wrong. I should

think that these people and not the Government are the experts, although the Minister does train a horse in the electorate I represent, and it wins occasionally, so he has some experience in the racing industry and I would not take that away from him under any circumstances.

Another interesting point appears at page 7 of the report. I refer to paragraph 6.3 which states:

> Small clubs that operate satisfactorily fulfil an important role in the local community and are not a burden on racing.

That is another very straight statement. I could go on quoting from that report, but I do not believe there is any need for me to do that.

In 1981, a report was made by the Department of Youth, Sport and Recreation stating that these smaller clubs were run properly and that it did not cost much to keep them going. There was wide community involvement in those small clubs in the country areas, and the department and the Racecourses Licences Board were backing those small clubs all the way.

Since then, one new factor has been introduced—the holy dollar. The Government is taking the attitude that it must have more revenue for hospitals and more revenue to pay for the additional split-up to other racing codes, and it decided that it could obtain additional funds by taking race meetings away from country clubs and moving them into the metropolitan area.

That probably will produce more money but it will also strangle country racing. The Government will allow these small country clubs to wither on the vine by taking away their meetings and starving them of community involvement. The process will be gradual but, before long, if the measure is passed, one club after another will get into financial difficulties and suffer from a lack of interest; that process will continue until the rationalization of country racing has put a large number of country courses out of business or forced them to amalgamate with others.

Simply to gather the holy dollar, the Government is willing to sell country people down the drain. Those communities are joined together and voluntarily are doing a magnificent job for racing and supporting the industry side of racing, because trainers, jockeys and owners are situated in the country in larger numbers than in the city, and that contributes to a decentralization project throughout city areas. The Government is willing to wipe out all of that community involvement and all of that employment by downgrading race meetings in country areas.

In the area where I live, the racecourses and the clubs that are involved are the Camperdown racecourse and the Camperdown Turf Club, the Colac racecourse and the Colac Turf Club, the Mortlake racecourse and the Mortlake Racing Club—that one is just out of my electorate but is involved in this group—and the Terang racecourse and the Terang Racing Club. The Cobden Turf Club has been racing in Terang for some years and the report stated that Terang should become the centre of racing for that area, the triangle of Camperdown, Mortlake and Terang.

That is very good in theory. The question is could the Terang Racing Club conduct winter meetings. If the Mortlake winter race meetings were transferred to Terang, would Mortlake lose its meetings? One of the suggestions put forward for the future of racing in the area was that in two or three years the race meetings would be transferred from Mortlake to Terang. The Mortlake and Terang racing clubs would not amalgamate because they are diametrically opposed. The Mortlake club appears to have fairly modern facilities—a new building and a good track.

Mr Trezise—Are you suggesting they close down?

Mr BURGIN—I am not suggesting they close down. I suggest that these clubs should operate in their own right.

Another suggestion was that the Camperdown and Colac racing clubs should amalgamate. Those towns are rivals in the Western District. Colac and Camperdown both have good facilities that are adequate for the racing needs of the areas. The Camperdown racing club would not move to Colac under any circumstances because there is no affinity between the two groups of people.

Most of the Totalizator Agency Board meetings were taken away from Colac. The

Colac Turf Club conducted four Totalizator Agency Board mid-week meetings and three daily double meetings on a Saturday. They now have two Friday Totalizator Agency Board meetings and five Saturday meetings with no Totalizator Agency Board. The club is being strangled because it is being put to Friday and Saturday meetings when there is a lot of competition.

The report to the Minister for Youth, Sport and Recreation stated that the Colac Turf Club was in financial difficulties but the report did not include the latest figures. That club is no longer in financial difficulties. In previous years the club was in difficulties because it went ahead and built a building that was not covered by funding at the time. The club did not get permission for the new building. A mistake was made and the club had to pay the interest for a number of years. That is why it was in financial difficulties.

The Colac Turf Club is doing very well and is running excellent meetings but is still being downgraded. I will do everything I can to ensure that the further downgrading of country meetings does not take place. If this section of the Bill is passed it will be a blow to country racing.

The Parliament should be looking at the whole of Victoria and the benefits that can be obtained from the racing industry for the community as a whole. There is much more to racing than the maximization of the dollar and the funds that are available. There are people throughout Victoria who love their racing and work hard for it, and it would be a tragedy if the Government, because it is city based, were to let all that community work and ability go down the drain simply to maximize the dollar that may come from racing.

Let the Government find another way to maximize funds for the Totalizator Agency Board. Do not let country racing bear the burden alone.

Mr ROSS-EDWARDS (Leader of the National Party)—I congratulate the honourable member for Lowan, who spoke on behalf of the National Party, for the research and work that he has done in recent weeks. He has covered all aspects of the proposed legislation.

It is my intention to cover the one aspect of the proposed legislation that I regard as the most serious—that is, the transfer of race meetings for country Victoria to the metropolitan area or the transfer of days.

I remind honourable members that this measure is about racing and is not simply a money Bill. If one listens to honourable members on the Government side, one would think the House was debating a money Bill.

In his second-reading speech, the Minister admits that:

> This proposal has met with solid opposition from country race clubs and some country municipal councils. However, the Government is aware that metropolitan meetings attract far larger crowds and much greater investment than country meetings. It is also aware that Wednesday is the prime mid-week day and that metropolitan meetings should be held on Wednesday with a few notable exceptions.

That is true. I do not dispute that, but as I said a few moments ago, honourable members are talking about racing and not just money. This view is carried on in the media. I have read, listened to and watched numerous people talk about the proposed legislation. What they say is that it will bring more money to racing and they state how essential it is that we have more money. To my knowledge, no other aspect has been discussed in the media.

The ACTING SPEAKER (Mr Kirkwood)—The time appointed by Sessional Orders for me to interrupt business has now arrived.

On the motion of Mr FORDHAM (Minister of Education), the sitting was continued.

Mr ROSS-EDWARDS (Leader of the National Party)—At present twelve Wednesday meetings are held in the metropolitan area. The proposed legislation will bring another twelve Wednesday meetings to Melbourne. At the moment those twelve meetings are held in country Victoria, and the clubs that conduct them will be given other days instead. Another eight meetings that are currently held on Tuesdays in Melbourne will be transferred to Wednesday. That means that now there are twelve Wednesday meetings in Melbourne, and, if by any chance this Bill is passed, in future there will be 32 Wednesday meetings a year in Melbourne.

One leading racing administrator in Victoria makes no secret of the fact that he

would like to see racing held in Melbourne every Wednesday of the year. I should like to know if it is also the view of the Government and the Minister that Wednesday meetings should be held in metropolitan Melbourne every week of the year.

Mr Trezise—No.

Mr ROSS-EDWARDS—I am glad to hear, by interjection, that the Minister does not want every Wednesday of the year to be a racing day in Melbourne.

Like other honourable members, I have seen many deputations on this issue, and after the first one or two I went out of my way to make clear to the members of the deputations that they did not have to waste their time trying to convince me that the proposal would bring more money to racing. I said, "You are quite right; it will bring more money to the Government and more money to racing—that is without doubt; I accept that—therefore, let's not argue about that aspect of it. Let's get on to the other aspect of what is best for racing in Victoria".

The honourable member for Albert Park made the point that racing is an industry. I make it clear that racing is both an industry and a sport. It is still very much a sport to many people, and I shall add something which is obvious for the benefit of those who do not go beyond the tram tracks of this great city—racing is much more a sport in the country than it is in metropolitan Melbourne. That is inevitable because, if one wants to hold race meetings in the country, one finds that the people who form the committees and the supporters of clubs have to bend over backwards and do a lot of physical and other voluntary work to ensure that the clubs survive and prosper. Examples of this occur in virtually every town in country Victoria.

What will happen if these Wednesday meetings are taken away from where they are being held in country Victoria at present? There is no doubt that the standard of racing will suffer, the crowds will be reduced and the Totalizator Agency Board takings will be down. Supporters of the Bill will say that the money lost will be more than made up by holding the meetings in Melbourne, and that is true. However, if the standard of racing suffers and the crowds and Totalizator Agency Board takings are down, those factors will be taken as an excuse by certain sections of the racing industry—certainly by the Government and the honourable member for Albert Park, who used the expression "we" the whole time—to say that racing is no longer a success in Bendigo, Camperdown or Colac, that attendances are dropping, Totalizator Agency Board takings are falling and the standard of racing is declining. The Government will use that as an excuse to rationalize it even further and shut down more race tracks. What the Government is doing now will inevitably lead to more financial stress on most of the clubs throughout the State that are affected.

The National Party wants to do what is best for racing in Victoria. We want to encourage racing throughout Victoria and, subject to that aim only, to maximize the finance that will come back to the racing industry in Victoria. However, for the reasons that have been made clear by the honourable member for Lowan, the National Party will most certainly oppose the Bill.

Mr A. J. SHEEHAN (Ivanhoe)—It was most interesting to listen to the comments of members of the Opposition and the National Party taking us on a tour of country Victoria. There is a continual attempt to draw a dichotomy between country and city racing. I acknowledge that the honourable member for Benambra alone of the Opposition speakers stated that we are talking about one racing industry. There are not two racing industries in Victoria, but one. If honourable members on the other side of the House want to create two industries, they are heading along the right track now, because good horses are raced in the city purely because the city attracts the high quality fields.

Mr Burgin—Where do they all come from?

Mr A. J. SHEEHAN—Not many of them come from Colac! The whole attempt to create a division between racing in the country and the city is misleading. There is one racing industry in Victoria.

Some honourable members, like the Leader of the Opposition, have short memories or no memories, because it was the Liberal Government that closed sixteen or seventeen tracks between 1969 and 1982, and people from the country rump of that dwindling party are protesting about the closure of one or two tracks. They are complaining about the recommendations of the

Racecourses Licences Board, yet the former Government decimated country racing—it knocked off almost twenty courses in twelve or thirteen years, so Opposition members have short memories.

Philosophically it is a very interesting position. People talk about perfect competition, but now that they are exposed to the force of perfect competitions, they are very much against it. I am all in favour of intervention for social reasons; I never back away from it and it is a good argument, but it is not your argument. You are being inconsistent in falling back on that argument. You cannot have it both ways; you cannot talk your normal tripe about perfect competition and then say, "We want Government intervention for social reasons". You must work out where you stand.

The ACTING SPEAKER (Mr Kirkwood)—Order! Will the honourable member for Ivanhoe please address the Chair?

Mr A. J. SHEEHAN—The Labor Government—and that is why we use the expression "we" on this side of the House—realizes the value of a buoyant racing industry to Victoria and has introduced a Bill that will improve the administration and viability of three branches of that industry. I point out again that racing does not include only horse racing; there is also harness and greyhound racing, and the Bill affects all three branches of the industry and employment in it.

The first step is the establishment of the Racing Appeals Tribunal; the second is the amending of the current formula for the distribution of the Totalizator Agency Board surplus, and the third is the implementation of many aspects of the report of the Racecourses Licences Board.

The need for a Racing Appeals Tribunal has long been recognized, even by the opposition parties. There is little argument about the need for that. It is interesting to note that the Opposition, when in government, went so far as to introduce legislation, but never went ahead with it. It was not proceeded with because, when it comes to the crunch, members of the Opposition are not quite up to it—they back off all the time. The report of the Jacobson inquiry and the overturning of that decision indicates the need for appeal provisions and this measure is widely accepted, even by members of the Opposition.

As to the Totalizator Agency Board distribution, that is a second major reform because it affects all sectors of the racing industry. Under the new distribution, the three arms of the racing industry have some guarantee of a secure future. They will get what they are entitled to from the previous year's investment plus an incentive for future growth. That is the Government's decision, and it was made because the three branches of the racing industry were unable to arrive at that decision themselves. Of course, there is disagreement because no separate branch is getting exactly what it wants. However, in totality, it is a good decision and protects the future of those industries. The decision was made after a great deal of consultation with the industry.

The third major aspect of the proposed legislation relates to the recommendation of the Racecources Licences Board. Legislation is needed to implement it. Many of the proposals are the statutory responsibility of the board. As such, they fall within the ambit of the board, but many of the responses from the Opposition side of the House have failed to take note of that simple fact.

The first and most contentious of the proposals is the one to increase the maximum number of metropolitan meetings to be conducted on Wednesday to twelve and to convert eight Tuesday meetings to Wednesday meetings. Needless to say, this has met with solid opposition from country race clubs and some municipal councils. I understand and appreciate that opposition because it is of great concern when one sees that not just the industry but an event that provides much focus for country communities is being diminished. There is concern on the Government benches about that matter.

It is indicated, by interjection, that that concern is not shown very much. However, it is shown ten times more than it was by the previous Government. One only has to look at the number of racecourses closed during the period of the Liberal Government. The Labor Party might be bad on this issue, but it is ten times better than was the Liberal Party.

It is worth remembering that metropolitan meetings will attract larger crowds and

greater investments on the Totalizator Agency Board. Wednesday is the prime day for metropolitan meetings and, consequently—that fact has not been contested by the Opposition—there will be a greater spin-off of funds to the country clubs.

Mr Reynolds—Initially!

Mr A. J. SHEEHAN—If that is true, the Minister has given an undertaking that it will be a matter for review. What could be fairer than that? There is no argument that it will be proven first up; the argument exists only beyond that, and the Minister has given an undertaking that it will be reviewed. Members of the Opposition are locked into 1928, and it is good to see that position being defended because that is where the Opposition is with regard to racing.

The second amendment relates to the cost of essential racecourse equipment and provides that the Racecourses Development Fund be provided for the purchase of essential racecourse equipment. The common sense of that is so self-evident that even the Leader of the Opposition will accept it! The third amendment is that those attending horse racing and harness racing meetings can now bet on greyhound meetings. That proposal has enjoyed universal support.

When the Government came into office there was an air of expectation in the racing fraternity. This expectation was based on the knowledge that the industry would gain a Minister who knows racing. That is a big advance on what has gone on in the past. It means a great deal to the racing industry and has been acknowledged by numerous members of the Opposition who have introduced deputations to the Minister.

One racing commentator said that the Government and Minister for Youth, Sport and Recreation would act to remove the monolithic ineffectuality that enshrouds the Victorian racing industry. The Government will remove the sort of ineffectuality that caused the Victorian racing industry to slip from being the No. 1 racing State in Australia to the second position. The Bill vindicates the faith of the racing industry in the Minister, and I commend it to the House.

Mr McKELLAR (Portland)—It is not my intention to raise matters previously covered by the honourable members for Gisborne, Polwarth and Lowan and the Leader of the National Party because they have presented the case from the opposition of the House in an efficient and capable manner. I will address my remarks to the Bill in relation to how it affects racing in the far south-west of Victoria, in an area for which I am the member and am familiar with.

South-Western District Racing Association is comprised of ten clubs. The clubs have held 64 meetings this year. The Bill proposes that those 64 meetings be reduced to 58 meetings. That means that six meetings will be lost. The point I make is that those six meetings have tremendous significance to racing in that district because they are to be held during winter. If those meetings are lost, the continuity of racing in the winter will be broken.

I shall expand further on those six meetings. One of those meetings is to be taken from Penhurst.

Mr TREZISE (Minister for Youth, Sport and Recreation)—On a point of order, Mr Speaker. Without wanting to shorten the speech of the honourable member, in all fairness, meetings at a particular track or district have nothing to do with the Bill. That is a matter for the Racecourses Licences Board, and I cannot see how it comes under the Bill.

Mr REYNOLDS (Gisborne)—On the point of order, Mr Speaker, the Minister discussed rationalization of racecourses, which includes the moving of meetings. It is a complete set of circumstances and the Minister mentioned it in the second-reading speech. The honourable member for Portland is elaborating on that, because rationalization is half of the whole Bill when it comes to cutting out racing in country areas.

The SPEAKER (the Hon. C. T. Edmunds)—I do not uphold the point of order, but I suggest that the honourable member for Portland makes only a passing reference on how the Bill will affect his area and that he speaks to the Bill.

Mr McKELLAR (Portland)—Thank you for your ruling, Mr Speaker. I will refer to it only in passing, but the meetings we will lose are of significance to those associated with racing in country Victoria, because people are dependent on continuity of racing for continuity of employment. As previous speakers have said, the majority of the 27 000 people who gain permanent

employment from racing in Victoria are domiciled in country Victoria, and when there is no continuity of racing, their employment is at risk.

The other point is that it is significant that over the border in South Australia there is no winter racing, and horses from South Australia come over to Victoria during the winter to get a run. Horses come from as far as Adelaide. Surely, this in turn must be promoting racing in Victoria, and especially country racing. The best way to promote racing in Victoria, and especially in country Victoria, is to permit those country clubs to retain their courses which, in turn, involves local people in racing. If country racing clubs are phased out, local people who are associated with the country clubs will be lost entirely to the racing industry. In a lot of circumstances, the people who attend country race meetings are only once yearly racegoers, because they support their local club. I do not believe racing is that strong in patronage and support from the public that it can afford to turn its back on those people. They come from every section of the community in country areas and they support their clubs in a voluntary way and give a lot to racing for nothing.

In the bigger centres, for instance in the metropolitan area and some of the Port Phillip clubs, everyone is paid, but in country racing there is a committee, and the people involved give of their time and machinery and everything else to keep the club going. I do not think racing is strong enough to turn its back on these people. They, too, own and train horses. Some of them are bookmakers and farriers, and they bring a lot of expertise to the clubs, which is valuable to the industry.

Earlier speakers in the debate mentioned that the Coleraine Racing Club was one club listed for closure. Its meetings have been cut back from six to two, and it has lost its Totalizator Agency Board meetings, with the result that Coleraine now has only two Saturday meetings in the proposed next racing season. When the Coleraine club approached those in charge of racing and objected to losing these meetings, they were asked to perform and then the club will survive and get assistance from the racing industry. The honourable member for Polwarth interjected and said, "Which comes first, the chicken or the egg?" That is a good question. I cannot see how a club can be expected to perform when the where-withal to perform is taken away from it. I regret to say that what has has happened to Coleraine is not much more than a *de facto* closure, because I cannot see it performing on the dates that it has been given. To give an indication to the House, Coleraine had a two-day TAB meeting last Friday and Saturday. In 1982 the off-course tote at Coleraine amounted to $860 000. Last Friday the off-course tote was $1·062 million. Surely this club is performing when it has an increase in the turnover, but yet it is told it is no longer required in country racing.

The Coleraine Racing Club is one of the oldest clubs in Victoria. It has been racing for 126 years, and it has contributed a great deal to racing in Victoria. Way back in 1911—that is before my time—a horse, The Parisian, that was trained originally at Coleraine, won the Melbourne Cup. Its owner, J. F. Kirby, lived over the road from the Coleraine racecourse, at Mount Koroit. J. F. Kirby's son, E. O. Kirby, owned a horse named Metheun, which in the 1930s won the Grand National Hurdle. It was either in 1946 or 1947 that E. O. Kirby had a horse named On Target, which started favourite in the Melbourne Cup, and it ran second. A keen racegoer said that it was not one of Scobie Breasley's best rides.

The SPEAKER (the Hon. C. T. Edmunds)—Is there any chance of the honourable member advising us for the 1983 Cup?

Mr McKELLAR—It would not surprise me if that horse had some country blood in it. I will develop it a little further for the benefit of the House. The Parisian won the Coleraine Cup the next year. Skipton, another horse who won the Melbourne Cup, ridden by Bill Cook, was owned by the late Jack Kittron in Hamilton. There were also Gatum Gatum and Rainbird who won the Melbourne Cup.

The SPEAKER—I presume this is related to the Bill.

Mr McKELLAR—The point I am making is that the type of horse that comes from the country is not a scrubber; it is a good horse. The honourable member for Ivanhoe tried to indicate that all the horses from the country were scrubbers and that is not true. The horse Rain Lover, from up our way, won two Melbourne Cups in a row. Bob

Agnew at Dunkeld had a good sprinter called Tauto and it won the W. F. Cox Plate and it cleaned them up here in Melbourne in no uncertain manner. I am trying to convey to the House that country racing is the backbone of racing in Victoria.

People contribute to it on a voluntary basis, such as battlers who look after a horse, which is why they win good races. They do not gallop the guts out of a horse like some people do with two-year old horses in Melbourne so that the horse is burnt out and cannot look through a bridle when it is three years' old. It is a job to get a jockey to ride those horses. I suppose that will be true of many horses. Most of them would have finished up in the Richmond abattoirs, and we know what happens there.

I agree with the honourable member for Albert Park when he said that he and his Government were interested in the employment aspect of racing. I assure the honourable member that Opposition members are concerned about it too. That is why we are concerned about scaling down meetings in country Victoria. Many people in the country are involved full time in racing. People who have stables may work anything from two to twenty horses. For instance, at Coleraine, Jim Cerchi is well known in racing circles as a jockey, trainer and owner of some distinction, especially for his training establishment at Coleraine. Coleraine is renowned as the best winter racing track in western Victoria and compares favourably with any other course in Victoria as a winter track. It is seldom, if ever, that Coleraine has to postpone a meeting because the track is wet, which is something that very few racecourses in Victoria can boast. That is why it is so important to keep Coleraine as a racing track in the far west of Victoria so that horses can be worked and raced for twelve months of the year.

The honourable member for Ivanhoe mentioned a number of racecourses that have been closed in the past ten or twelve years of the Liberal Government. It is true that some racecourses were closed. He did not tell the House that although there are 54 racecourses today, 77 clubs race on those 54 courses. Most of the clubs that were closed were adjacent to other clubs and saw fit to amalgamate with those clubs. Therefore, the clubs concerned are still racing, but the tracks are used by more than one club. In Warrnambool, four clubs use the same racecourse. The number of courses has been reduced, but the number of clubs remains reasonably static. I shall give a comparison. People in the country have voluntarily agreed to amalgamate with other clubs so that they can have good facilities at the course they see fit to retain. There is nothing wrong with that. In the metropolitan area one finds three race clubs using four racecourses. It is the opposite situation and I often ask myself whether, if insufficient income is being generated in racing to keep all the country racecourses open, the four courses should remain in the metropolitan area. When one considers the costs of keeping a racecourse operating in the metropolitan area one realizes that the racing industry should consider that proposition. It must be an expensive exercise to keep four racecourses operating in Melbourne.

I have been to Flemington racecourse, thanks to the hospitality of the Victoria Racing Club. No one would quarrel with the claim that it is the best racecourse in the southern hemisphere. Its facilities are excellent and the course could possibly be used more to the advantage of racing and patrons who attend. Perhaps if meetings are moved to that racecourse, it will solve some of the problems of the industry. That proposition is worth investigating.

The other point I make is that much has been said about the Totalizator Agency Board dividends. The Totalizator Agency Board is not only the backbone of racing, but to some degree it is also the backbone of hospitals and other charities. It has become an accepted and acknowledged important segment in Victoria. The fact is that the time will come when the take of the Totalizator Agency Board will taper off because not enough money is available to keep it operating at the growth rate it has experienced. When Tattslotto was introduced, many people who invested with the Totalizator Agency Board switched to Tattslotto. I know countless people who have taken a couple of units for $1 and who do not know a thing about horses and just pick two numbers and have an interest in a small bet. Since Tattslotto was introduced, those people have been lost to racing. They switched to Tattslotto because the price was more attractive and they thought they had a better investment.

The other day, the Premier indicated that casinos would not be introduced in Victoria. I accept that decision after the thorough inquiry and I will accept the finding of the inquiry into poker machines. I will not pre-empt or presuppose the outcome of that inquiry. I give a serious word of warning that if at some future date poker machines are introduced to Victoria, there will be a further decline in the take of the Totalizator Agency Board because the money going to the Totalizator Agency Board as a form of gambling will be siphoned off into poker machines and the racing interests supported by the board will have to accept a loss in income. There is a gambling dollar in the community and it can go only a certain distance.

I conclude my remarks by saying that we are all realistic enough to know that having 32 Wednesday meetings in the metropolitan area will generate more money for the Totalizator Agency Board. I do not know anyone who would quarrel with that point, I suggest that if meetings are shifted from other days of the week to Wednesday, which is the prime racing day, and other days are given to those courses that operated meetings on Wednesdays, they must expect less take from the Totalizator Agency Board. It must be offset against what one expects by having the extra Wednesday meeting, which is the prime week day. Another word of warning I give is that racing is still a sport with the biggest percentage of owners participating in it. There are very few owners who have made money out of racing. For everyone who has a winner, there are ten or twenty who have a horse that in many cases does not even get to the barrier.

Something happens in the training area and the horse does not get a start. The people are in it for the sport. The minute the racing industry loses those people, who are in the industry for the sport, God help the racing industry! Those people are prepared to put more into the industry than they take out of it. Surely they are the people we want to keep in the racing industry. They are the people who should be encouraged and fostered. If one keeps the country racecourses open and these people in the metropolitan area happen to have a horse which is not good enough to win or run a place in the four clubs operating in the metropolitan area or the eight clubs operating in the Port Phillip area, where competition is stiff, that person has the option of taking the horse to the country and receiving some satisfaction out of the sport in which he or she participates.

Metropolitan horses come to the country to race if they are not up to standard. Many country horses come to the city and perform fairly well. In conclusion, I appeal to the House not to put money before people in the racing industry. If this is done, it will be done at the peril of the industry, because putting money before people is not in the best interests of racing.

Mr KENNETT (Leader of the Opposition)—In his own inimitable way, the honourable member for Portland has given this House and the Government a lot more common-sense advice than they have heard for a long time. Both he and the honourable member for Gisborne have spent considerable time trying to assess the pros and cons of the Bill. As the honourable member for Gisborne indicated, the Opposition accepts some parts of the Bill. However, the Opposition totally rejects other areas of the Bill. I hope that between here and another place the Minister may take on board the comments made by the honourable member for Portland about the rationalization of country racecourses with a view to examining what this would involve. If one is serious about the efficiency of the racing industry, that sort of contribution must be considered.

The Bill is not about efficiency within the racing industry; it is about more revenue being generated for a Government that is continually beleaguered with increasing debt because of its inefficiency in other areas.

If the honourable member for Prahran, who seeks to interject, is concerned about racing, he will contribute to the debate and take on board the comments of the Opposition which tried to examine responsibly the ramifications of the Bill for the entire Victorian community and not one sector and, more importantly, not just from the financial point of view.

It has been said time and again that the reason provided by the Government for this change is to generate revenue. It does not matter what justification the Minister supplies for increasing the number of meetings conducted at metropolitan racecourses, it comes back to one basic point: funding. The

argument comes back to the attempts by the Government to reap the Totalizator Agency Board turnover.

Honourable members interjecting.

Mr KENNETT—The Victoria Racing Club and the Government are wrong on this occasion because they are prepared to put money before the interests of the people involved in the racing industry. The Government is destroying the association of community interests in Victorian towns.

Honourable members interjecting.

Mr KENNETT—I suppose the Minister for Youth, Sport and Recreation is bleating because he is afraid to face the common sense that has come from this side of the House. The Government has not provided any reasons for the proposed increase in the race meetings for the metropolitan area. Several factors require consideration. A matter which has not been considered is the deal which has been instructed to be done by the Minister in terms of the broadcasting of racing. This will affect the hospitals and charities which receive a percentage of the revenue from this sport.

A major aspect of the Bill is to raise funds. Why is the Government looking for funds? The Minister has entered into an agreement to bring about extra meetings on a Wednesday with the broadcasting, not only of the gallops, but also the harness and greyhound racing industry, in an effort to attract extra revenue. The Minister is using the Bill to generate funds over and above the interests of the people.

By the contribution of the honourable member for Ivanhoe, one could be excused for believing that he had never left the metropolitan area because he does not understand or appreciate the value to the local community which is generated by country racing.

Mr Trezise—How many meetings have you been to in the past twelve months?

Mr KENNETT—The honourable member would be surprised. Honourable members in the Opposition have been associated with more country racing clubs and meetings than either the Minister or many members of the Government party, simply because those honourable member would not know how to read a road map to show them the way. The Labor Party is city based. Any political party has a responsibility to the constituents it serves as well as a Statewide responsibility. That responsibility is enhanced when a political party becomes the Government and when its members become Ministers.

In this case the Minister and the Government have once again driven a wedge between the interests of country Victorians and metropolitan Victorians. The Minister is saying to people in country Victoria, "your rights as a community are not as important to us as the capacity to generate more revenue". What is the reason for this extra $40 million that the Government hopes to generate in terms of TAB turnover and the $1·5 million going into the Government's coffers?

It is amazing that some members of this House, regrettably some of whom are Ministers, are prepared to play with the truth so loosely. There is no way that the Victoria Racing Club or any other racing organization in this State of its own volition generated the expenditure of $1·2 million towards broadcasting. It came from the Minister at his direction.

If, by interjection, the Minister is now saying that he does not want broadcasting of the other codes, let him say it publicly. If he is saying that he did not give a direction to the Victoria Racing Club—I am trying to ignore the interjections of the Minister but he is now saying that he did not give that direction—will he then release the Totalizator Agency Board from the commitment it has had to make under his direction to conduct the broadcasts, or will he pick up the tab?

It is amazing how quickly some Ministers can slip and slide in this place because there is no doubt—there is no proof and no evidence to suggest otherwise—that the decision to broadcast at a cost of $1·25 million, which has already been established as $605 000 more than needs to be spent, was initiated by this Government and this Minister.

Honourable members interjecting.

Mr Trezise—You will apologise for that!

The SPEAKER (the Hon. C. T. Edmunds)—Order! The Minister for Youth, Sport and Recreation will refrain from interjecting.

Mr KENNETT—If the Government—and the Minister has already answered the

question—is now saying that this Minister gave no direction and wielded no axe over the Victoria Racing Club.

Mr Trezise—Or the harness racing or the dogs.

Mr KENNETT—Of course, not harness racing or the dogs because they were looking for the Minister's support and they are the ones on whose behalf the Minister gave the direction. The Minister is now saying that it was all initiated by the Victoria Racing Club and that he did not give a direction.

The SPEAKER—Order! I again ask the Minister to cease interjecting.

Mr KENNETT—I have moved around many country and metropolitan racing clubs and the views expressed about the Minister in this debate are echoed throughout the racing Community. The racing community believes it is the Minister who did this. The racing community cannot get a straight answer from him and this is typified by the sorts of answers being given tonight. All racing interests throughout Victoria want to be equitably handled and represented and they are not being treated in that way by the Minister. He has generated an enormous amount of flack.

Honourable members interjecting.

The SPEAKER—Order! The Leader of the Opposition will ignore interjections and speak to the Bill.

Mr KENNETT—If the Chair will allow interjections to be made by honourable members from out of their places, they are hard to ignore.

The SPEAKER—Order! The Chair will attempt to control interjections.

Mr KENNETT—The Minister for Youth, Sport and Recreation is continually rejected by sporting communities. He is a very nice man. Everyone says that. However, he is a ditherer. One day he will tell the racing community one thing and the next day he will introduce a Bill that is entirely different from what he said. Racing clubs in country Victoria believe they have the ear and the support of the Minister and now find that the situation is something entirely different. Once again, the racing industry for which the Minister is responsible has been let down and is in a state of confusion.

The Opposition's stand on the Bill is that it should concern an association of community interests and people. That will always come first with the Opposition. Finance, particularly the rip-offs by the Government for more and more finance, is the Government's basis for the Bill. Whether one likes it or not, it is a taxing measure; it is a money Bill. The motivation of the Government is to generate extra revenue because it is so desperate about the deficit of $600 million that it faces that it is prepared to put down the interests of the people in the State. The motivation of the Opposition is that people and community interest come first.

As has been expressed by spokesmen for both the Liberal and the National parties, these parties have had tremendous support from people throughout the racing industry in country Victoria who are asking simply to be treated as equals. The Bill will not bring about greater efficiency in the industry. It is a sell-out of people for finance.

If it were directed towards efficiency, the Minister would be able to answer some of the questions that have been raised by the honourable member for Gisborne, the honourable member for Portland and other speakers from the Opposition and the National Party. Where is the report and the evidence of the inquiry that is tied to the need for having rationalization of the industry, if efficiency is the motivation? Why, at the expense of country Victoria, is money generated from this industry going away from the interests of those associated with the industry in country Victoria? This concerns not only those persons involved in the racing industry but also the rest of the community who have supported that industry in country Victoria.

As time goes on, the Minister for Youth, Sport and Recreation will continue to incur greater wrath from those he represents in his responsibilities for sport and certainly on youth policy. Tragically, the Minister is allowing himself to be used by a Government that is desperately short of finance and wants to use the sporting codes as another taxation measure for the State. There is no doubt that this Government has shown its ability to become involved in the management of both the Victorian Football League and the racing industry to the detriment of both those codes and that the Government has had no hesitation in doing that. While

the Government continues that policy, the rest of the State continues to run downhill. The State is heading—or rather galloping——

Mr Simpson—Or trotting.

Mr KENNETT—Or trotting towards bankruptcy. The Government is interfering with two industries which are professional, one even more so than the other. The Government is interfering in such a way that those industries are being put at risk. The Bill is not wanted by the industry and it is not wanted by the community. It shows the preparedness of the Government to put its finances above the interests of the people and once again it indicates quite clearly, from the response of the Minister and the representations made to the Opposition, that the Minister cannot be counted on to honour the commitments he makes. He is a nice man and does try to please everyone he meets but he dithers and, through his dithering, this nice, polite gentleman is now in a situation of being used by his colleagues in Government.

The time will come when the Government will realize that there are more important things to do in the management of the State than interfering in professional sporting bodies in matters for which the Government has no responsibility.

Mr WILLIAMS (Doncaster)—I applaud the Bill insofar as it relates to smartening up administration in the racing industry and in reducing the rackets in that industry. It does not matter whether it is on the stock exchanges or anywhere else. Where there is easy money, there is always a temptation to do something crooked. I regret to say that there are rigged races.

Mr Doug Meagher, counsel assisting Mr Costigan in the painters and dockers inquiry, in a recent symposium in Perth drew attention to the fact that it appears that one or two races conducted on each racing day somewhere in Australia are arranged so as to achieve a particular result. That is not saying that every race is crooked, but that every now and then a race is rigged.

The SPEAKER (the Hon. C. T. Edmunds)—Order! I will not tolerate the honourable member canvassing all the matters dear to his heart. I desire him to come back strictly to the Bill before the House.

Mr WILLIAMS—With a great deal of respect, Sir, this Bill deals with improvement in the administration of racing.

The SPEAKER—Order! From my reading of it, it has nothing to do with the drug trade as I understand it.

Mr WILLIAMS—Mr Speaker, I draw your attention to the second-reading notes which state:

> The main purpose of this Bill is to improve the administration of racing in this State.

I am pointing out that an expert inquiry has shown that improper practices are taking place in racing and I am pointing out how important it is that there be honest, clean racing in this State. If you will permit me, Sir, I shall give some examples of races that have been rigged, which are on the record.

The SPEAKER—Order! The honourable member would be in order in making a passing reference to some of these matters, but I insist on him coming back to the Bill.

Mr WILLIAMS—I should like to give just three examples of races that have been rigged. On 12 June, at Eagle Farm, the Farr syndicate collected several hundred thousand dollars when Grey Receiver won the Elder's Handicap at the nice odds of 16 to 1. That was in 1982. Another notorious citizen, "Aussie Bob" Trimboli named in the Stewart Royal Commission on the drug traffic also engaged in rigging a race at Rosehill in November 1980, when he won $650 000. However, one of the most notorious race riggings concerned the race won by Mr Digby at Canterbury when its connections won a substantial amount in August 1981.

The SPEAKER—Order! I insist on the honourable member coming back to the Bill. He has given honourable members three examples, which are all interstate, and I ask him to now come back to the Bill before the House. The honourable member shall not tax the patience of the Chair, but will come back to the Bill.

Mr WILLIAMS—Mr Speaker, I draw your attention to the fact that there is a big increase in interstate betting. There are interstate betting syndicates. For example, the Freeman syndicate operates on Melbourne and Sydney races. I have before me the Totalizator Agency Board annual report for 1982 which indicates that over the 12

months to July 1982 betting on interstate racing increased by 13 per cent and that harness racing—the trots—increased by 25 per cent. However, metropolitan harness racing has declined by 8 per cent and metropolitan gallopers increased by only 8 per cent. Wheeling and dealing is conducted on interstate racing and that is why I am most concerned that there be clean racing in Melbourne. I agree with you, Mr Speaker, that it is a lot cleaner than in Sydney, but nevertheless clean racing needs to be conducted in Victoria.

I am most concerned at the illegalities associated with people engaged in the racing industry, such as Terrence Keith Clark, the key subject of the drug inquiry and an associate of George Freeman. I have already mentioned the horse, Mr Digby; Peter Ernest Black subsequently transferred its ownership to Mrs Jean Clark, mother of Terrence Clark. There is big money in these activities and Mr Murray Farquhar, who is of some magisterial eminence in Sydney——

The SPEAKER (the Hon. C. T. Edmunds)—Order! The honourable member does not have to convince the Chair regarding this matter. I ask him to come back to the Bill before the House.

Mr WILLIAMS—I want to point out that Mr Farquhar, who is a massive bettor has, in the past few weeks, transferred $400 000 to Buenos Aires, Argentina. I suppose he was anticipating an adverse result from the inquiry in which he was a principal subject.

The SPEAKER—Order! I advise the honourable member to ignore interjections and to come back to the Bill. If he does not come back to the Bill, I will not hear him.

Mr WILLIAMS—It is clear to me that people like George Freeman and others connected with him make a great deal of money out of rigging races and, as a result, are able to transfer massive amounts out of the country. I hope an inquiry will be held into the matter because there was a great deal of scandal in New South Wales where it was disclosed that this man Farquhar had obtained a member's ticket to Randwick for Mr Freeman.

The SPEAKER—Order! The honourable member will come back to the Bill.

Mr WILLIAMS—This is an important matter and the Bill proposes to clean up racing once and for all. It is the little punter who is disadvantaged. Of course, if people are engaged in rigging races, they win massive amounts.

I draw to the attention of the House the fact that for telephone betting there are some 130 000 accounts in this State, and that some $250 million is involved in telephone bets. It is a big business. In my opinion, it is dangerous that criminal elements should infiltrate racing and rig races. Apart from the matters that have been disagreed with by my colleague, I support the Bill.

Mr TREZISE (Minister for Youth, Sport and Recreation)—First of all, I thank honourable members for their contributions to the debate on this measure which is important to the State. I thought most of the contributions were most constructive; almost all were sincere, and some were controversial. I thought that the contribution from the Leader of the Opposition came, as usual, at the bottom of the class. He may be right in saying that he and his colleagues know far more about racing than my colleagues and me, and I will accept his personal view. Many different views were expressed in the debate, particularly from members representing country electorates who would naturally be concerned about clubs in their own areas and parochial matters. They believe local clubs should be preserved in the future whatever the consequences to racing overall.

When talking about clubs losing race meetings in the country, and one of the speakers referred to the Coleraine club, the clubs are not really losing race meetings so far as numbers are concerned in country Victoria, which will stay at 400. I point out that the decision to transfer a meeting from one course to another is made by the Racecourses Licences Board, which consists of a chairman, a city representative and a country representative, as well as a representative from the local district area, which means that, if a meeting were taken from Coleraine, two country representatives must be involved in that decision, and that includes a representative of the local racing district. The proposed legislation has been brought in and the decision of the Government, when it came to office, was to have

full consultation with all sections of the racing industry—not only with the Victoria Racing Club, Harness Racing Board and the Greyhound Racing Control Board, but also from all sections, including the clubs, jockeys, trainers and others concerned—so that what was in the best interests of the racing industry could be determined. So far as I am concerned, I was brought up on country race tracks, and I still consider myself to be more of a country man than a city man.

The only country club to which I belonged was a country club and that was in the bush at Burrumbeet. I want to ensure that racing in Victoria and, in particular, country racing remains as viable as possible in the future compared with the past. In relation to the claim that the Government has dithered on this matter, I believe the opposite has been the case. The Opposition says that there should not be extra mid-week meetings, but two years ago, when the Liberal Party was in office, some of its members voted for such meetings. That party also voted against the Labor Party's policy of bringing in after-race payouts; it has now done a somersault in that regard. That former Government was opposed to any progressive moves in the racing game and did not have the courage to say so unless it went cap in hand to the Victoria Racing Club to ask what it should do. The present Government respects the Victoria Racing Club as the governing body but it also realizes that other people in the racing game know something about racing in Victoria.

The Bill has been introduced after the fullest consultation with all sections of racing, and my door has never been closed to people wanting to talk about the measure. Rather than being backward, as has been claimed, I believe the Government has been forward thinking.

Last year the Totalizator Agency Board was down to a 6 per cent increase in turnover on the year before, which was far below the rate of inflation and below the increases in costs of racing, yet the former Government refused to introduce after-race payouts. The present Government introduced that system in spite of the recommendation of the Victoria Racing Club, and now all people say that the Government made the best possible decision in relation to the Totalizator Agency Board and racing. The turnover of the Totalizator Agency Board has gone from 6 per cent—it would have gone from 5 per cent if the former Government had stayed in office—to what will be this year a record Totalizator Agency Board increase over recent years of more than 13 per cent.

In addition, galloping people in the country and city will receive the best return in years, at a time when the economy is not buoyant and many other forms of gambling are taking revenue from racing. Therefore, in the interests of racing, both city and country, and more revenue for city clubs and country clubs in particular, which have been crying out for years for more revenue to overcome the increase in costs of wages, power, office equipment, racecourse equipment and so forth the extra-mid week meetings were introduced. The Government believes the criticism tonight by the Opposition of the Racecourses Licences Board, appointed by the Liberal Party when in office, which is independent and away from the Government, and of the Victoria Racing Club which is the governing body of the State, shows that the Opposition lacks confidence in these two bodies. Note will be taken of that at a future date.

This Government believes politicians, Labor or Liberal, should not say where races should be held so that seats can be won, or when race meetings should be held or which clubs should be licensed or which courses should be closed. Those decisions should be left in the hands of the racing people. For the Opposition to criticize that and suggest that the Minister should take a more personal interest and more personal power is not acceptable to me. Not only is the strength of racing in the country important so far as a people's sport is concerned—we all agree with that—but revenue is also important. It is important not only to the clubs and to the people who go to the races once every six months and sit in the committee rooms and say what a nice day it is, but also to the people who get up at 4 a.m. and walk the horses—the drivers, the trainers and jockeys whose livelihoods and returns in recent years, because of the lack of stake increases and inflation, have been declining. Those people should be protected as much as anybody else in this State.

When people have had to take their horses from one country place to another, say from Ballarat to Ararat, and the price of petrol

has risen four or five times in the past few years and the float rebates by clubs have not increased to replace the increased cost of petrol, and the stakes have not gone up in proportion to the cost of feed, it has been a disgrace. As long as this Government is in office and I am in the Ministry, we will do everything to increase revenue, whether through increased numbers of country meetings or the transfer of meetings from one course to another where there is more revenue and more people involved in racing. This year will be a record year because of the Government's initiative. I trust that next year when the allocation comes out will be another record year. I guarantee that, so far as I am concerned, the statement by the Victoria Racing Club through correspondence to the country clubs that they will not suffer financially because of this change to extra meetings in the mid-week area will be kept to the utmost.

The country clubs will receive a record return this year because of the initiative of this Government. Before next year's distribution is made under the new formula of extra race meetings there will be a review of the whole system and, if country clubs next year receive, as the Opposition claims, a poor financial deal, it is in their hands because, before they receive that financial deal next year it will have to be made by the signature of the city clubs and the country clubs. If a country club's representative does not not sign that agreement, the distribution does not take place. It goes back into their hands and I will ensure that the country clubs will not be disadvantaged and that the promise that the country will receive a fair deal will be carried out.

I cannot see how the country clubs will fall down. In six months' time I intend looking at the legislation again to see how the country clubs are fairing and how the distribution is taking place between the gallops, the harness and the greyhound people, to ascertain whether it is working out or is detrimental to any of the three racing codes. The decision on the new distribution was brought and after-race payouts were introduced because there was a downturn in broadcasting by 3UZ which dramatically affected the night sports. The Government took the initiative and gave the after-race pay outs which doubled the attendance at meetings and was of benefit to the industry.

It was feared that the greyhound and trotting people were not being looked after. Now that there is broadcasting of all Totalizator Agency Board meetings again by the Government's initiative, not its direction, as the Leader of the Opposition said earlier, I think the greyhound and harness racing codes should be able to look after themselves far better than they could three months ago. Before they reap the benefit of the Totalizator Agency Board broadcasts and change of circumstances in August 1984 that matter will be looked at. The Government will not allow the greyhounds or the harness racing people to have a biased deal against the interests of the racing people, whether city or country. That is fair.

So far as this Government is concerned, there is no reduction in country race meetings. There are additional meetings which will provide far more finance for the racing codes. They will provide more finance for the people affected by racing and, as someone said, they will help provide the revenue for hospitals. What is wrong with that? Rather than increasing taxes on power and gas, it is better for the Government to collect voluntary taxes, when the people queue up at the Totalizator Agency Board to bet.

To this Government racing means country and city, and the Government will ensure that that continues. All honourable members know that the distribution of Totalizator Agency Board funds is made on the basis of 60 per cent to the city and 40 per cent to the country. With a far bigger pool next year because of the increased meetings, the distribution to the country will be 40 per cent of the bigger pool. If the country still believes it is receiving a worse deal, there is no reason why the Government, in conjunction with the racing people, cannot alter that distribution.

The Government might change the distribution from 55 to 45 per cent. Before the allocation is made next year from the increased turnover, all country clubs that consider they have experienced a decrease in revenue will have the whole matter reconsidered. The guidelines drawn up in 1928, allocated race meetings in a particular district. If the Opposition is opposing the recommendation of the Victorian Country Racing Council that country clubs should be allocated more race meetings, I suggest to a large extent that is out.

I remind the honourable member for South Barwon of the four recommended dates for the Geelong area by the Racecourses Licences Board. If the Opposition supports this issue, not only will Geelong not get the extra dates, but neither will Yarra Glen, Mornington and Warrnambool because under this set-up one cannot put extra dates on without affecting totalizator returns. My time is limited but I must say that in the twelve months the Government has been in office it is proud——

Mr Ross-Edwards—Why can't the Government include more dates for country clubs straight off?

Mr TREZISE—Let us compare what has happened with country dates over the past 25 years to those in the city. During the war there were 250 dates set down for country meetings, which has since increased to 400. In the city during the same period there were 92 meetings whereas today it has been reduced to 79. The city has dropped almost 20 meetings while country clubs have increased their dates by 150. It cannot be said that country clubs have received a bad deal over the past 25 years.

It has been the policy of the Government to have constant consultations with all sections of the industry including the harness, galloping and greyhound people. They have been consulted from top to bottom. Before any decision is made next year to review the situation and to make the allocation, there will be another full consultation. The proposed legislation has been brought in not only by the Government but also at the request of the racing people.

The motion was agreed to.

The Bill was read a second time and committed.

The sitting was suspended at 11.54 *p.m. until* 12.32 *a.m.*

Clause 1 (Short title)

Mr REYNOLDS (Gisborne)—I move:

Clause 1, line 8, after "(3)" insert: Except where otherwise provided in this Act,".

This minor amendment is consequential on the two amendments to clause 12 that I propose to move, the second of those two being the major one. If this amendment is defeated, I will not discuss the other two, so I will address my reason for moving all three amendments.

The purpose of the amendments is to insert a sunset clause relating to the new distribution formula. In his second-reading speech, the Minister undertook to review the matter in six months' time but, in spite of such an undertaking, promised reviews are not always carried out. That is not always because of the laxity of the Minister concerned, and I do not suggest that in this case. With so much paper work and with people being overworked in some areas, certain matters are forgotten. The amendments would insert a sunset clause and the formula would cease to operate after twelve months.

I suggest to the Minister that, when the matter is reviewed, he should establish a review panel to conduct the review. That panel should consist of one representative from each of the three codes and a chairman who is neutral.

As honourable members are aware, the distribution to each of the three codes has historically been based on the percentage of turnover generated by that code. As I said earlier, thoroughbred racing has gained immeasurably in the past ten years and is estimated to represent 73 per cent of the turnover of the Totalizator Agency Board this year as compared with 64 per cent ten years ago; harness racing has dropped from 22 per cent to 18 per cent or less in that period and greyhound racing has fallen from 13·5 per cent to just over 7 per cent. There is no doubt that the thoroughbred racing industry is on a high. History and previously accepted practice over the 21 years of the board's operation since 1962 have led to the thoroughbred racing industry to think that is its right.

I congratulate the Minister on bringing in the new formula. However, I believe the Committee should ensure, by the insertion in the Bill of a sunset clause, that a review is conducted.

Mr McGRATH (Lowan)—The National Party supports the amendment. The insertion of a sunset clause will give a sense of authority that may not already be present, even though the Minister has undertaken to review the situation in six months' time. By

inserting the sunset clause and strengthening the Bill, a greater obligation will be imposed on the three codes of racing.

Currently, the thoroughbred racing industry is concerned that it is carrying the other two codes. The sunset clause could provide the initiative that is needed by the other two codes to improve their racing in a bid to attract more investment through the mechanism of the Totalizator Agency Board. It is in this context that I endorse the amendment moved by the honourable member for Gisborne.

Another factor is that, in the future, the Premier may decide on a reshuffle of portfolios, and that reshuffle may result in a different Minister administering the area. That could mean that the new Minister would not have an obligation to continue with the commitment made by the present Minister.

Mr TREZISE (Minister for Youth, Sport and Recreation)—I thank the two honourable members for their thoughts and support on the introduction of the scheme initiated by the Government. However, the Government does not accept the amendment because I have given an assurance—an assurance that will be honoured—that six months after the new racing season starts in August a review of the whole situation will be made in February. If a change is necessary it will be made in time for the 1984 racing season. If there is no need to make a change there is no point in my wasting the time of the Parliament by coming back to it.

I give an undertaking that the three codes will be reviewed in February and the right decision will be made without it being biased to the galloping community, the greyhound community or the harness racing community. The Government does not accept the amendment.

The Committee divided on Mr Reynolds's amendment (Mr Wilton in the chair).

Ayes	23
Noes	39
Majority against the amendment	16

AYES

Mr Brown	Mr Delzoppo
Mr Burgin	Mr Hann
Mr Jasper	Mr Ross-Edwards
Mr Kempton	Mr Saltmarsh
Mr Kennett	Mrs Sibree
Mr Leigh	Mr Steggall
Mr McGrath	Mr Templeton
Mr McKellar	Mr Wallace
Mr McNamara	Mr Williams
Mr Maclellan	*Tellers:*
Mr Reynolds	Mr Dickinson
Mr Richardson	Mr Ebery

NOES

Mr Cain	Mr Newton
Miss Callister	Mr Norris
Mr Cathie	Mr Pope
Dr Coghill	Mr Roper
Mr Crabb	Mr Rowe
Mr Culpin	Mrs Setches
Mr Ernst	Mr Sheehan (*Ivanhoe*)
Mr Fogarty	Mr Sheehan (*Ballarat South*)
Mr Fordham	Mr Shell
Mr Gavin	Mr Sidiropoulos
Mr Gray	Mr Simmonds
Mr Harrowfield	Mr Spyker
Mrs Hill	Mr Stirling
Mr Hill	Mrs Toner
Mr Hockley	Mr Trezise
Mr Ihlein	Mr Walsh
Mr Jolly	*Tellers:*
Mr Kennedy	Mr Hassett
Mr Kirkwood	Mr Seitz
Mr McDonald	
Mr Micallef	

PAIRS

Mr Evans (*Ballarat North*)	Mrs Ray
Mr Evans (*Gippsland East*)	Mr McCutcheon
Mr Lieberman	Dr Vaughan
Mrs Patrick	Mr Simpson
Mr Tanner	Mr Wilkes

The clause was agreed to.

Clause 2 (Insertion of new Part, Part IIIB.)

Mr TREZISE (Minister for Youth, Sport and Recreation)—I move:

4. Clause 2, page 4, line 37, at the end of this line insert;

"(3) Notwithstanding sub-sections (1) and (2) an appeal shall not lie to the Tribunal against—

(*a*) any decision concerning the eligibility of any animal to race or the conditions upon which an animal can race; or

(*b*) any disqualification or suspension of an animal from racing (except where that disqualification or suspension of the animal is imposed in conjunction with a penalty imposed upon a person)."

The amendments Nos. 3 and 5 standing in my name are consequential upon the acceptance of this proposed amendment, which is necessary to make it clear that the tribunal will not be empowered to consider appeals against decisions of a controlling body in cases where the animal alone is penalized. That is usually because of the animal's behaviour, when, for instance, dogfights occur, and is imposed by the stewards. It is desirable that the final say should remain with the controlling body.

Mr REYNOLDS (Gisborne)—The Opposition has a number of queries about the main proposed amendment, and I am pleased that it has cleared up something I raised during the second-reading debate regarding the disqualification of an animal. It would appear that previously animals were unjustly or unfairly discriminated against. The Minister has clarified this point by suggesting that, when an animal is disqualified, so are the connections.

I accept that explanation, and although the Opposition does not oppose the amendment, I will have further discussions with my colleagues and seek clarification of the revision while the Bill is between here and another place so that, if necessary, any queries can be raised at that time.

The amendment was agreed to.

Mr TREZISE (Minister for Youth, Sport and Recreation)—I move:

6. Clause 2, page 4, lines 41 and 42, omit "the Tribunal shall hear and determine the appeal without the appellant first having sought any other remedy" and insert "the appellant may not appeal against the imposition of that penalty to the controlling body but the appellant may appeal against the imposition of that penalty to the Tribunal".

This proposed amendment is considered necessary to make it clear that in serious cases the right of appeal against decisions of the stewards will be direct to the tribunal. It is neither necessary nor desirable for the controlling body to have a role in those cases.

Mr REYNOLDS (Gisborne)—The Opposition does not oppose the amendment. It makes the provision clear enough to enable me to understand the clause now, whereas previously it was a little hazy.

Mr McGRATH (Lowan)—The National Party does not agree with the proposed amendment. I had been planning to move an amendment to proposed section 83K to omit the word "shall" and insert the word "may" to try to remove some of the severity of the intention of the provision.

This morning I spoke to committeemen of the Victoria Racing Club, who said they believed that the present wording of proposed section 83K is ambiguous and that it was imperative that it be amended, because the word "shall" was intended only to compel the tribunal to hear an appeal of the class described, and to deny the right of the penalized person to appeal, if he wishes, to the controlling body.

The proposed amendment would deny any right to an appellant to go to the controlling body; he must go straight through to the tribunal. For those reasons, the National Party voices its disapproval of the amendment.

Mr TREZISE (Minister for Youth, Sport and Recreation)—The reason we say an appeal should go automatically to the tribunal in serious cases is that, although in minor cases people may appeal from the stewards to the controlling body they can, if they so desire, in the public interest make an application to go to the tribunal, which may or may not be accepted; in cases of medium seriousness, an appeal can be made to the tribunal, but in severe cases with penalties of twelve months or more, it is not only in the interests of the person who may be suspended or disqualified that he receives justice, but also of members of the public.

In serious cases it is important for a decision to be made by a body that is fully conversant with the legal situation to ensure that that takes place. The Ararat case keeps coming up; in that case numerous people were tried, found guilty and disqualified for periods of up to two years. The next moment the disqualification was lifted, although the Victoria Racing Club had found them guilty. People are either guilty or not guilty, and if they are found guilty they should be penalized. If a person goes to the tribunal where a legally qualified person is in charge, there is no doubt that a decision will be made on a fair and proper basis. That may or may not have been carried out by the Victoria Racing Club under the previous arrangement.

The Government believes—in the interests of the person himself and of the

public who want to ensure that the proper decision is made and the appropriate penalty is carried out—the only way that can be achieved is to go througth a legally constituted appeals board. Therefore, the Government does not accept the suggestion proposed by the National Party.

The amendment was agreed to.

Mr TREZISE (Minister for Youth, Sport and Recreation)—I move:

Clause 2, page 5, line 1, omit "(4)" and insert "(5)".

Clause 2, page 5, line 4, omit "two and one-half penalty units" and insert "$250".

Clause 2, page 5, line 8, omit "(5)" and insert "(6)".

As to the amendment to omit "two and one-half penalty units" and insert "$250", that amendment is necessary because the penalty units system does not apply to the rules of racing and $250 is more appropriate.

The amendments were agreed to.

Mr TREZISE (Minister for Youth, Sport and Recreation)—I move:

Clause 2, page 5, line 11, omit "(6) Pending the hearing of an appeal the Tribunal" and insert "(7) Pending the determination of an appeal the Chairman or a Deputy Chairman".

Clause 2, page 5, line 14, omit "(7)" and insert "(8).

Clause 2, page 5, line 17, omit "(8)" and insert "(9).

Clause 2, page 5, line 22, omit "(9)" and insert "(10).

Clause 2, page 5, line 27, after "advisers" insert "appointed by the Minister".

Clause 2, page 7, line 21, omit after "to" insert "prescribing".

As to the amendment to omit "Pending the hearing of an appeal the Tribunal" with a view of inserting "Pending the determination of an appeal the Chairman or a Deputy Chairman", it makes it clear that the chairman or deputy chairman may grant a stay of proceedings until the appeal is determined. As to the amendment to insert "appointed by the Minister", that provides that the Minister shall select the members of the panel who shall act as advisers to the panel.

The amendments were agreed to.

Mr TREZISE (Minister for Youth, Sport and Recreation)—I move:

Clause 2, page 7, lines 28 and 29, omit "Chairman, Deputy Chairmen and advisory members of the Tribunal" and insert "Chairman and Deputy Chairman".

The amendment was agreed to, as were verbal and consequential amendments and the clause, as amended, was adopted.

Clause 3 (Amendments of No. 6353 consequential upon section 2)

Mr TREZISE (Minister for Youth, Sport and Recreation)—I move:

Clause 3, page 8, omit paragraph (*b*) and insert the following paragraphs:

'( ) In section 45, for the words "the above matters" there is hereby substituted the expression "the matters referred to in paragraphs (*a*), (*b*), (*d*), (*e*) and (*f*)";

( ) In section 77 (1), for the words "the above matters" there is hereby substituted the expression "the matters referred to in paragraphs (*a*), (*b*) and (*d*)" '

The amendment makes it clear that there is a right of appeal against a decision of the Harness Racing Board and the Greyhound Racing Control Board to disqualify or suspend any person participating in racing in accordance with the rules, notwithstanding the statement that the decisions of the board shall be final and without appeal. No similar clause is necessary in respect of the rules of racing under which the Victoria Racing Club operates. Those rules do not have the legal standing of the rules made by the Harness Racing Board and the Greyhound Racing Control Board pursuant to the powers conferred on them by the Racing Act.

Mr REYNOLDS (Gisborne)—At this stage the Opposition does not find anything awkward, unusual or anything to which it objects. However, because the amendment has been sprung on members of the Oppositions at this late hour and because the implications of the amendment require some reading to fully understand, the Opposition reserves the right to—between here and another place, after honourable members have had a look at the amendment—query the amendment in another place, if it so desires.

The amendment was agreed to, and the clause, as amended, was adopted, as were clauses 4 and 5.

Clause 6 (Limitation on number of metropolitan race-meetings)

Mr REYNOLDS (Gisborne)—I move:

Clause 6, line 37, omit "ninety-one" and insert "seventy-nine".

This is consistent with the advance warning I gave in the second-reading debate that the Opposition is opposed to additional meetings in the city. I canvassed that proposition at length at that stage and outlined the reasons for the opposition. At 7 minutes past 1 o' clock I do not wish to go through it all again.

Currently, 79 meetings are held in the city, plus five special meetings such as the one held on Anzac Day, which must be held at Flemington; two charity or benevolent days, which must be held at Moonee Valley; and two hunt club days, which must be held at Moonee Valley under the auspices of one of the two hunt clubs.

The Bill seeks to add twelve extra days to those meetings. I point out that if the provision regarding the extra meetings is carried, not only will there be a clash depriving the country meetings of the prime racing dates that they have enjoyed for many years, but also it will cause many more and additional clashes with harness race meetings held around the State. That will disastrously affect the turnover of the Totalizator Agency Board as well as the on-course turnover, which is the lifeblood of that industry. That will mean a downturn in the takings on those days when there will be clashes. There is no doubt that that will occur. Centralization of country races is forcing racing back to the city. The Minister said earlier that it cost a lot of money to float a horse. It costs just as much to float a horse from the country to the city as it does to float a horse from the city to the country. The provision will also force out volunteers who keep the overhead and running costs of country race meetings much lower.

The Minister mentioned float rebates in the city being greater than those in the country. I spoke to an owner two days ago who suggested that he had received quotes to train a horse. It costs $160 a week to train a horse in the city, yet to have the same horse trained by a well-known trainer in Bendigo or Mornington the cost was $105; that is more than 33 per cent cheaper. The move to centralize racing will cause people to come back to the city.

I take up the point made by the honourable member for Portland. If one talks about cutting out courses in the country area, are four courses needed in the city?

An interesting aspect of the Victorian Country Racing Council report is that it doubts whether many of the city racetracks could cope with additional race meetings. That doubt has not been tested in the past twelve months because Victoria has been subjected to a severe drought. However, I invite honourable members to reflect on whether the city racetracks could cope with additional race meetings during a wet winter.

The Minister for Youth, Sport and Recreation claims that he is a member of only one racing club, the Burrumbeet Park and Windermere Lake Racing Club, which holds one race meeting a year on New Year's Day. No doubt that race meeting would be a family reunion day, as is the race meeting held at Hanging Rock, which is close to where I live and which also holds a race meeting once a year on New Year's Day. I am also a member of that racing club. Country racing is all about family reunion days.

If the clause is agreed to, many country race clubs that hold race meetings once a year will be forced to either close or move those race meetings to a more inconvenient time of the year and the quality of country racing would deteriorate. Therefore, I urge the Committee to adopt the amendment.

Mr McGRATH (Lowan)—I support the comments made by the honourable member for Gisborne. If the clause is agreed to, it will mean that many people will no longer travel from the city to attend mid-week country race meetings and they will miss the opportunity to appreciate the countryside.

Earlier this evening, I spoke with one of the key waitresses in the Parliamentary refreshment rooms. She told me that she had won money today on a country race meeting. She told me that, as a person who lives in the city, she would, if she had the opportunity, travel to a country race meeting every day of the week. That typifies the attitude of most city people, who would rather attend a country race meeting. The Minister interjects and says that so would he, but he has introduced a Bill to remove mid-week racing from country race clubs and transfer them to the metropolitan race clubs.

It has been claimed that the float rebate is not as high for country race meetings as it is for metropolitan race meetings. I have a letter from the St Arnaud racing club, which indicates that, due to the popularity of the race meetings held there, the management of that club has increased float rebates this year by 100 per cent for the owners who have horses participating at race meetings of that club.

Mr TREZISE (Minister for Youth, Sport and Recreation)—I have already explained the attitude of the Government on this matter. Twelve months from now the decision to increase the number of metropolitan race meetings will provide more stake money for country race clubs, better facilities and increased float rebates. The Government will not accept the amendment.

The Committee divided on the question that the word proposed by Mr Reynolds to be omitted stand part of the clause (Mr Wilton in the chair).

Ayes	38
Noes	24
Majority against the amendment	14

AYES

Mr Cain	Mr Norris
Miss Callister	Mr Pope
Mr Cathie	Mr Roper
Dr Coghill	Mr Rowe
Mr Crabb	Mr Sheehan (*Ivanhoe*)
Mr Ernst	Mr Sheehan (*Ballarat South*)
Mr Fogarty	Mr Shell
Mr Fordham	Mr Sidiropoulos
Mr Gavin	Mr Simmonds
Mr Gray	Mr Simpson
Mr Harrowfield	Mr Spyker
Mrs Hill	Mr Stirling
Mr Hill	Mrs Toner
Mr Hockley	Mr Trezise
Mr Ihlein	Mr Walsh
Mr Jolly	
Mr Kennedy	
Mr Kirkwood	
Mr McDonald	*Tellers:*
Mr Micallef	Mr Hassett
Mr Newton	Mr Seitz

NOES

Mr Brown	Mr Leigh
Mr Burgin	Mr Lieberman
Mr Delzoppo	Mr McGrath
Mr Dickinson	Mr McKellar
Mr Hann	Mr McNamara
Mr Kempton	Mr Maclellan
Mr Kennett	Mr Reynolds
Mr Richardson	Mr Wallace
Mr Ross-Edwards	Mr Williams
Mr Saltmarsh	
Mrs Sibree	*Tellers:*
Mr Steggall	Mr Ebery
Mr Templeton	Mr Jasper

PAIRS

Mr McCutcheon	Mr Evans (*Gippsland East*)
Mr Mathews	Mr Evans (*Ballarat North*)
Mrs Ray	Mrs Patrick
Dr Vaughan	Mr Tanner
Mr Wilkes	Mr Whiting

The clause was agreed to, as was clause 7.

Clause 8 (Days for metropolitan racemeetings)

Mr REYNOLDS (Gisborne)—I invite honourable members to vote against this clause. This clause transfers eight Tuesday meeting dates to a Wednesday, and it stipulates on what days and what courses there shall be racing throughout the four metropolitan racecourses, Flemington, Caulfield, Sandown and Moonee Valley. By omitting this clause, it will allow the Minister to decide on the courses and the dates, and this gives him tremendous power. It is like increasing the number of city meetings, although that is done by legislation. If Wednesdays are regarded as race days, why does not the Minister move the Melbourne Cup to a Wednesday? It might raise another $50 on the turnover of the Totalizator Agency Board, and that is what this Government wants to do because it worships the almighty dollar; it will help it out of its problems.

The omission of this clause will restore Saturday race meetings to metropolitan Melbourne and will leave Melbourne Cup Day on the usual Tuesday. Why should the Minister have the right to choose when and where a meeting should be held?

Mr McGRATH (Lowan)—If these meetings are transferred from a Tuesday to a Wednesday, the statistics I gave earlier tonight are relevant. They showed that the Totalizator Agency Board investment on a Wednesday at Caulfield and Sandown was only $2·2 million, and for a Wednesday meeting at Flemington the turnover on the Totalizator Agency Board was $2·6 million. Will the Minister insist that these eight meetings be transferred to a Tuesday and

that they all be run at the Flemington race track?

Mr TREZISE (Minister for Youth, Sport and Recreation)—The Government does not accept this proposition. There is no need to go over the reason why.

The clause was agreed to, as was clause 9.

Clause 10 (Amendments to No. 6353 consequential upon sections 4, 5, 6, 7, 8 and 9)

Mr McGRATH (Lowan)—I move:

Clause 10, page 11, line 6, omit all words and expressions on this line.

Mr TREZISE (Minister for Youth, Sport and Recreation)—The Government does not accept this amendment.

The amendment was negatived, and the clause was agreed to.

Clause 11 (Amendment of No. 6353, s. 33)

Mr REYNOLDS (Gisborne)—I invite honourable members to vote against this clause. Clause 11 is the shortest clause in the Bill, but it has the greatest effect. The Opposition seeks to introduce into the original clause paragraph (*d*) of section 33, the date 31 March 1983, and wishes to omit 31 August 1982. This would bring this archaic clause up to date. The Minister in his second-reading speech said it was outdated and it was time that it was fixed.

The CHAIRMAN (Mr Wilton)—Order! I appeal to honourable members to remember that although some of the amendments appear simple, they are not. To ensure that honourable members have the opportunity to move their amendments in the proper order, considerable concentration is required. The Chair is not being assisted by the number of conversations taking place in the Chamber. I ask honourable members to hold their conferences outside the Chamber.

Mr REYNOLDS—The Minister suggested that the honourable member for South Barwon should not be voting against the clause because he wants to do away with district boundaries. That is effectively what clause 11 deals with. He took that view because of the four extra meetings in Geelong. I balance that position with a member from the Government side and expect the honourable member for Bendigo will vote with the Opposition because Bendigo will lose a meeting and the Bendigo club is severely disadvantaged by the decision. I expect that two honourable members will cross the floor on that surmise. The honourable member for South Barwon will vote with the Government and the honourable member for Bendigo will join the Opposition.

It is sensible and logical to vote against clause 11. The Opposition suggests that country districts should hold the number of meetings they now have. That would safeguard country districts and maintain the fine balance that already exists. The Opposition does not argue that there will be a difference between the country and city. The Opposition believes the Bill would destroy that fine balance. There is a general acceptance with the Opposition's view throughout the racing industry and it concerns me that most of the debate on this Bill has concerned harness and greyhound racing and there is no doubt that not a large part of the Bill concerns those areas. There is little other than the distribution formula for their actions.

Because of the proposed racing calendar for next year, clause 11 seeks to centralize racing in the Melbourne metropolitan area and the Port Phillip district and combine them with an extra city meeting being granted, which will decimate country racing. The removal of the meetings will not only affect the clubs, it will move the facility away from the area around which people have found enjoynent and built their lives. The new clause would be consequent upon the opposition to clause 11.

Mr McGRATH (Lowan)—The National Party is in accord within the comments of the honourable member for Gisborne in relation to the transfer of race meetings from the various racing districts. There has been some stability in the country racing industry whereby the various districts have been allocated meetings and, therefore, the various clubs know exactly how many meetings were involved. In addition, trainers and owners know how many race meetings will be held in their districts and they can schedule their affairs for those meetings. Clause 11 provides for paragraph (*d*) of section 33 of the principal Act to be repealed. It will certainly have severe ramifications. The honourable member for Gisborne has said that it is related to the thoroughbred racing scene, but in actual fact it will probably not

be long before the same suggestions or legislation will apply to the trotting industry. I suggest that it will be only a matter of time before the Government moves in the same line when another furore will be raised from the trotting fraternity. That is the reason why the National Party is in accord with the move by the Opposition to vote against clause 11.

Mr TREZISE (Minister for Youth, Sport and Recreation)—The Government does not need to support the suggested new clause, which will substitute the expression "31st day of March 1928" for the expression "1 August 1982". It makes no difference whether it is 1982 or 1928. It has the same basis and foundation and, therefore, the Government believes that the Racecourses Licences Board should have more flexibility to move horses and race meetings around country areas of Victoria as it believes in the best interests of racing. The Government does not support that proposition.

The Committee divided on the clause (Mr Wilton in the chair).

Ayes	36
Noes	25
Majority for the clause	11

AYES

Miss Callister	Mr Pope
Mr Cathie	Mr Roper
Dr Coghill	Mr Rowe
Mr Crabb	Mr Sheehan (*Ivanhoe*)
Mr Ernst	Mr Sheehan (*Ballarat South*)
Mr Fogarty	Mr Shell
Mr Fordham	Mr Sidiropoulos
Mr Gavin	Mr Simmonds
Mr Gray	Mr Simpson
Mr Harrowfield	Mr Spyker
Mrs Hill	Mr Stirling
Mr Hill	Mrs Toner
Mr Hockley	Mr Trezise
Mr Ihlein	Mr Walsh
Mr Jolly	
Mr Kirkwood	
Mr McDonald	
Mr Micallef	*Tellers:*
Mr Newton	Mr Hassett
Mr Norris	Mr Seitz

NOES

Mr Brown	Mr Hann
Mr Burgin	Mr Kempton
Mr Delzoppo	Mr Kennett
Mr Dickinson	Mr Leigh
Mr Evans (*Gippsland East*)	Mr Lieberman
Mr McGrath	Mrs Sibree
Mr McKellar	Mr Steggall
Mr McNamara	Mr Templeton
Mr Maclellan	Mr Wallace
Mr Reynolds	Mr Williams
Mr Richardson	*Tellers:*
Mr Ross-Edwards	Mr Ebery
Mr Saltmarsh	Mr Jasper

PAIRS

Mr Cain	Mr Tanner
Mr Mathews	Mr Whiting
Mrs Ray	Mr Evans (*Ballarat North*)
Mr Wilkes	Mrs Patrick

The remaining clauses were agreed to.

The Bill was reported to the House with amendments, and passed through its remaining stages.

ADOPTION LEGISLATION REVIEW COMMITTEE

Mrs TONER (Minister for Community Welfare Services)—By leave, I move:

> That there be presented to this House a copy of the final report of the Adoption Legislation Review Committee, March 1983.

The motion was agreed to.

Mrs TONER (Minister for Community Welfare Services) presented the report in compliance with the foregoing order.

It was ordered that the report be laid on the table and be printed.

MINISTERIAL STATEMENT

Adoption Legislation Review Committee

Mrs TONER (Minister for Community Welfare Services)—I desire to make a Ministerial statement in connection with the document that I have just tabled, namely, the report of the Adoption Legislation Review Committee.

BACKGROUND

The Adoption Legislation Review Committee was appointed by the previous Government in August 1978 to review the Adoption of Children Act 1964, and to report to the Minister for Community Welfare Services and the Attorney-General. This was to be the first comprehensive review of the Act since its commencement in 1966.

The appointment of the committee was the result of changes in community attitudes towards adoption and recommendations from interested bodies for changes to legislation based on developments in other States of Australia and in other countries.

REPORT OF THE STATUTE LAW REVISION COMMITTEE, OCTOBER 1978

Shortly after the committee's appointment, the Parliamentary Statute Law Revision Committee presented its report entitled "Access to Information Concerning Adoptions". The main recommendations of this report were incorporated into the Adoption of Children (Information) Act 1980. However, this Act remains substantially unproclaimed today because its provisions are not an adequate response to community needs for adoption information. Later on I will be referring to the recommendations of the Adoption Legislation Review Committee in regard to access to information.

MEMBERSHIP OF THE ADOPTION LEGISLATION REVIEW COMMITTEE

The Adoption Legislation Review Committee was chaired by Bill Davey, an officer of the Department of Community Welfare Services, and included nominees of the Law Institute, the Law Department, the Family Welfare Advisory Council, the Victorian Conference of Adoption Agencies and of the Victorian Standing Committee on Adoption representing the views of the three parties to adoption—the adopted person, the natural parents and the adoptive parents.

The committee therefore contained both legal and welfare expertise and represented the interests of all the parties involved in the adoption process. The report notes that this diversity of membership has led to some modification of views within the committee and resulted in a greater consensus than previously existed. The committee met on 124 occasions in the preparation of this report.

COMMUNITY CONSULTATION

The committee advertised widely for submissions from the community and, following consideration of the resulting responses, issued a major working paper for public consideration. The committee also held public meetings in metropolitan and country centres to discuss the interim recommendations in the working paper and to provide an opportunity for oral submissions. One hundred and fifty-eight written submissions were received and 500 individuals and organizations were on the mailing list for copies of the working papers of the committee.

CURRENT SITUATION

Adoption is a major statutory welfare service which is shared between the Government and private agencies. At present there are ten adoption agencies, namely the Department of Community Welfare Services, Royal Women's Hospital, Mercy Maternity Hospital, Queen Victoria Medical Centre, Catholic Family Welfare Bureau, Child Care Service, the Adoption Programme of the Uniting Church, the Anglican Mission of St James and St John, L.D.S. Social Services Adoption Agency, Lutheran Adoption Agency and the Australian-Jewish Welfare and Relief Society. The total number of non-relative adoption orders granted in 1981–82 was 287, of which 42 per cent were placed by the Department of Community Welfare Services.

CHANGES IN THE ADOPTION FIELD

Adoption practices and the committee's report are to be seen in the context of enormous change in the adoption field since the current legislation was introduced nearly twenty years ago.

Since then, the number of children available for adoption has reduced dramatically. In the past ten years, the number of non-relative adoption orders granted has fallen from 1488 to 287 a year. This has meant that adoption agencies have become more selective about who may adopt, and also that it is now much harder for interested people to become adoptive parents. The age of children adopted has also changed considerably, with many being pre-school and school age children. There are also more special needs children seeking adoption, and new practices have evolved to help them find adoptive parents.

In recent years there has been a sharp rise in interest in adopting children of other countries and races. The adoption of Aboriginal children by white parents has been strongly challenged during the last two decades.

Social attitudes towards illegitimacy have changed considerably in recent years. The stigma that people felt in former times is no longer common. As a result, relinquishing mothers are no longer as sensitive to disclosure, and adopted children are asserting their rights to information on their origins. There has been a great upsurge in applications for adoption information, and all adoption agencies have had to devote staff resources to handling these requests.

The greater incidence of divorce and remarriage in our society has led to an increase in adoptions by step-parents. These now constitute 57 per cent of all adoptions.

We have also seen the development of self-help groups of people affected by adoption. I refer to Jigsaw, the Council for the Single Mother and Her Child and the Relinquishing Mothers' Association.

Finally, alternatives to adoption have developed considerably in the last decade. Whereas previously adoption seemed to be the only way of providing a family for many children, there are now more other options, such as foster care and family support services to the natural parents. These and other changes have led to the need for a complete review of adoption legislation in this State.

Before describing the contents of this report, I should like to quote from the introduction to the report. It says:

> This report is about adoption—not adoption as we have known it in the past, but the directions we feel adoptions should take in the future. But more than just adoption, the report is about children's need for families. Our overwhelming concern is that children should know the security and love of continuing family life.

This statement of purpose is intended to guide the recommendations from the committee.

SUMMARY OF RECOMMENDATIONS

The report highlights the urgent need for new legislation which not only reflects current views but allows for future developments. To do full justice to the report it needs to be read in detail, the main recommendations from the various chapters of the report cover the following matters:

With respect to the rights of the child in adoption, the report recommends:

Increased emphasis on adoption as primarily a service for children;

separate legal representation for children in certain circumstances to ensure that their interests and wishes are respected;

the right of adopted persons to factual information about their backgrounds together with their right to privacy;

financial subsidies to enhance the adoption prospects of disabled children and children in older age groups.

With respect to new forms of adoption, the report recommends:

Adoption that does not involve the termination of all social and legal relationships with natural family members;

adoption orders that permit ongoing access where this is stipulated in consents given by natural parents; and

recognition of the importance of permanence and security by ensuring that adoptive parents have superior rights during the child's minority.

With respect to adoption by relatives and step-parents, the report recommends:

Guardianship and custody orders for step-parents and relatives instead of the inappropriate use of adoption orders as at present; and

adoption orders to be granted to step-parents and relatives only when the Court determines that there are special circumstances which justify such action.

With respect to adoption of Aboriginal children, the report recommends:

Special consideration to be given to the adoption of Aboriginal children, with a legal requirement that a nominated Aboriginal agency be involved in the adoption arrangements; and

recognition of the importance of a knowledge of Aboriginal ancestry, heritage and family and kinship networks when an Aboriginal child is placed for adoption.

With respect to access to information, the report recommends:

Access to original birth certificates for all adopted persons when they reach the age of majority, with appropriate counselling available but not compulsory;

establishment of an Adoption Information Service within the Department of Community Welfare Services to provide the counselling and information to all parties to an adoption;

adopted children under eighteen years to have unrestricted access to non-identifying information about their natural parents and access to identifying information only if the natural and adoptive parents consent or if a judge waives this consent;

provision of ongoing non-identifying information to natural parents regarding their children who have been adopted;

natural parents to have restricted access to identifying information concerning their children under the age of eighteen years dependent on the consent of the adoptive parents and the child or if a judge waives this consent;

provision for parties to an adoption to register their views about future contact and, if both parties desire it, assistance in making contact; and

protection of adoption records and provision for records to be tranferred to the Department of Community Welfare Services when adoption agencies cease operation.

With respect to the role of adoption agencies, the report recommends:

Tighter controls to prevent illegal private adoption arrangements; and

agency involvement to be required in any step-parent and relative adoptions.

With respect to registration of agencies, the report recommends:

An independent Adoption Agency Registration Board to be established to register and monitor all adoption services in Victoria; and

that Adoption Agency Registration Board to be a sub-body of a wider Child and Family Welfare Services Registration Board which would register all welfare services.

With respect to adoption consents, the report recommends:

Natural parents to be given more information and counselling to ensure that they understand the effect of consenting to adoption;

adoption consents to be taken by a court official and witnessed by the natural parents' counsellor;

expansion of the grounds under which the court may dispense with parental consent; and

provision for the consent of a natural father to be required whenever paternity is established.

With respect to selection of adoptive parents, the report recommends:

The minimum age for applicants to be raised from eighteen years to twenty-one years and the minimum age difference between children and applicants to be eighteen years;

the broad factors to be taken into account when selecting adoptive parents are identified and extended to include couples who already have one or more children;

eligibility to adopt to be extended to couples in stable *de facto* relationships and tribal marriages; and

educational programme to be provided for prospective adoptive parents and to be a prerequisite for making application to adopt a child.

With respect to inter-country adoption, the report recommends:

Inter-country adoption to be with the agreement of the overseas country for children orphaned or abandoned and without extended family and for children whose parents or guardians have legally consented to adoption;

adoption arrangements to be made through approved adoption agencies in each country; and

couples who bring children from overseas for adoption in Victoria, without seeking approval, to be given support and supervision for twelve months before being eligible to legally adopt in Victoria.

With respect to appeal mechanisms, the report recommends:

An independent Adoption Appeals Committee to be established to hear appeals where an adoption application is refused, revoked or unreasonably deferred; and

the Appeals Committee to have power to refer the case for reconsideration by the agency but not to have power to reverse the decision.

With respect to adoption jurisdiction, the report recommends:

Adoption matters to be transferred from the present court to a Family Court vested

with State and Federal jurisdiction and capable of deciding all family matters relating to the child; and

the Family Court to be able to minimize adversary procedures, to have multi-disciplinary expertise available and to be able to order separate legal representation for the child where appropriate.

Other recommendations in the report cover four additional areas, namely agency authority to care for children before acceptance of guardianship, discharge of adoption orders, inheritance rights and offences under the Act.

PROCEDURE

The report makes 247 recommendations. These cover amendments to legislation, amendments to regulations, changes to administrative practices by Government bodies and by private agencies, and continuation of existing arrangements. The Adoption of Children Act, the Adoption of Children (Information) Act, the Administration and Probate Act, the Births, Deaths and Marriages Act, the Status of Children Act, the Crimes Act and the Legal Aid Act are all affected.

The Government has not yet reached a position on the recommendations in the report. Instead, the Government is inviting comment from the community on this report.

No action will be taken to implement the report until it has been considered by all interested persons. Copies of the report will be available for purchase from the Government Printer by the general public in the near future.

I welcome submissions on the report from all individuals and groups who have an interest in this important subject. Submissions should be forwarded no later than 30 June 1983. I realise that this does not allow a great deal of time for people to consider the report, but it must be recognized that there has already been considerable consultation and discussion of the subject matter during the term of the committee. Following consideration of submissions and incorporation of any resulting changes to the recommendations of the committee, a Bill will be prepared for presentation to Parliament as soon as possible.

By leave, I move:

That this House takes note of the Ministerial statement and the report.

Mr SALTMARSH (Wantirna)—The Ministerial statement must be regarded as important. The matter affects the whole community in its concern for the care of children. It is disturbing that the House is called on to consider such an important subject at 2.00 a.m. I know that the Minister wished to bring the matter on earlier, but due to the Government's management of this place it has been brought on at this ridiculous hour of the morning.

There are so many important areas to be considered that I wonder about the wisdom of the Minister making a Ministerial statement at this time when the report to which the statement refers has 247 major recommendations and when an enormous amount of legislative redrafting will be required. There is no possibility of such a major piece of work being undertaken and presented to the House during the next session of Parliament.

The Minister has given a valuable undertaking, in introducing the statement and outlining the basic recommendations of the Adoption Legislation Review Committee, for the report to be open to the public for one month for comment prior to the Government forming its response and preparing proposed legislation. I compliment the Minister and her speech writer for the fact that this statement has avoided the exaggeration of some past statements which have introduced jarring political comment which, in general, has failed to recognize the background work of previous Administrations and other people.

The Minister has outlined the essential historical background to the report of the committee, which has been in progress since 1978. As the work of the committee has been in progress for some five years, that may be too long because many of the attitudes of the community towards adoption have changed and some new forms of family establishments have developed and the report may not be totally pertinent to these changing aspects.The next review undertaken by the Government will perhaps be even more significant than the review that is the subject of this statement.

The Adoption Legislation Review Committee was formed as a result of an undertaking by a former Minister, now the honourable member for Hawthorn, when amendments to the adoption procedures were introduced in the Adoption of Children Act 1980. Since then the committee, under the chairmanship of Mr Bill Davey, has worked assiduously and has received several submissions from the community and it has now sought to give recommendations. Obviously, the community will need the full report to understand the real implications of many of the recommendations. The Opposition recognizes that a number of very positive and helpful recommendations are contained in the report and expresses its serious reservations about others.

The Minister quoted the opening paragraph of the report that stated that the report is not about adoption as it has been known in the past but about the directions that adoptions should take in the future. It stated that more than just being about adoption, the report was about children's needs for families and its overwhelming concern was that children should know the security and love of continuing family life.

That is a real motherhood-and-apple pie statement. Of course, adoption is about children's needs for security, love and continuing family life. It appears, and I believe it will be clear to many other people, that the recommendations contained in the report are far from guaranteeing such security for children in family life.

I am far from convinced that the recommendations do not contain the seeds of destruction of adoption as it has been understood and practised in the very best sense as an opportunity for a child to be placed within a secure family relationship such that the child is endowed with the legal and social status as if it had been born in that family.

Some practices associated with adoption over the years have been very insensitive. Social attitudes have changed so that, as the Ministerial statement says, what once were pressures on mothers to relinquish children for adoption no longer exist. New pressures have established new needs. Honourable members are aware that there are now opportunities for people to adopt handicapped children, and so on.

To recognize insensitive or destructive practices of the past and to change professional practices associated with the management of adoption does not necessarily call for a change to the whole base and structure of adoption. It is far more important for the community to ensure that much better professional practices are undertaken within adoption generally so that insensitivities are removed and new opportunities are available for more sensitive relationships to be secured in families. These factors should be considered.

I speak with some knowledge on this subject because I am an adoptive parent and I have been involved over a number of years in social work, in many instances with families concerned with adoption.

I am aware that there have been many superb adoptions. Some fine families have been created as a result of this important practice. However, I am also aware of some unfortunate experiences for all parties concerned and it is important that the whole community knows what were the reasons for the significant change that is now recommended in the report, as outlined in the Minister's statement. It must be understood from where the pressures for change were coming. Were the pressures coming from the people activated by professional social workers involved in the adoption field, from the adopted people themselves, from relinquishing parents, or from adopting parents? Once it is understood where the pressures are coming from, honourable members will be better able to understand the adoption procedures that are involved.

I note that the Minister stated that the committee therefore contained both legal and welfare expertise and represented the interest of all the parties involved in the adoption process. The report notes that this diversity of membership has led to some modifications of views within the committee and resulted in a greater consensus than previously existed. I am glad not to be aware of the pre-consensus recommendations as I am sure, from the drift of the recommendations, that some of those recommendations would have been more determined to destroy the traditional understanding of adoption in favour of only some relinquishing parents who were never adequately understood or counselled prior to relinquishing children for adoption. It seems to

me that the recommendations generally give more weight to the continuing relationship of relinquishing parents to natural children than to the security, needs and love of the children concerned. If my views are correct, it would follow that adoption as has been practised up until now will cease to operate and there will instead be a range of guardianships, foster care or other long-term or short-term arrangements which will fail to provide either children, adoptive families or relinquishing parents with the required security and confidentiality.

That may be suitable in some instances, but it may not be suitable in others. As a community, we need to be concerned and aware of that danger, should we radically change the nature and concept of adoption as it has applied since the 1960s. Having said that, I believe there are many worthwhile recommendations contained in the report, which the Opposition will be pleased to strenuously support.

The recommendations for non-restricted points in relation to non-identifying access information about their natural parents for children under the age of eighteen years is fully supported. I think this is important. In fact, that should be made available to relinquishing parents, and there is tremendous concern among some of them that they would like to be aware of the progress of the children and would perhaps like some photographic material as well as an indication of progress of the children in schools and other sorts of things that the children take on as they move into the work force. I think that sort of information should be made available.

There are other areas where we are concerned that the recommendations, if they are implemented, could possibly introduce many serious questions about the family structure and of the integrity of the family being maintained.

Although an information source is now supposed to be operating within the department, it is perhaps unfortunate that some people who currently seek information about adoption of children or relatives who have been adopted through the department find the answer that is so often given is that there is insufficient staff available to follow through these reports. I believe information of this kind should be made available and I would hope that, if the Government intends to implement this more fully, part of that recommendation should be for the provision of more adequate staffing resources for that information facility.

The establishment of an adoption information service within the department should also be mirrored by the establishment of adoption information services within the private agencies because, at present, the majority of adoptions are made through private agencies and hospitals. These all need to have the most accurate information. I understand that some twenty inquiries pertaining to information on adoptions are addressed each week to private agencies. The provision of access to non-identifying information with regard to natural parents or for children under eighteen years of age is important. The provision for parties to an adoption to register their views about future contact, which is already part of the existing adoption law in this State, is supported. There are several areas of concern which I hope, when the Bill is brought in to the House—and I believe there will need to be more time on this question—honourable members will also have the opportunity of making more specific responses on the individual clauses.

I am concerned about some of the matters raised with respect to inter-country adoptions and I wish to indicate that it seems within the Victorian department that although many of the social workers and administrators are proud of the high standards they have established for inter-country adoptions, in many cases, these have been nothing short of grave intrusions into people's private lives and have created more problems than they have solved. That is because of the sort of practice that is used. I believe we, as a community, need to be more sensitive and practical in our approach to people who seek to provide a humanitarian response, especially for children overseas in countries such as South America and so on—many of whom are waifs—who need people to care for them. As a society, we should be making arrangements available for a humanitarian response from people in Victoria so that they may be able to adopt children from some of those countries.

At present, it seems that the Victorian Government has found difficulty in supporting visa applications for children unless certain standards have already been

achieved. This is a problem that exists and I hope that we, as a community, can address ourselves to it properly and fairly so that children overseas will not be disadvantaged. Many other important issues are raised in the documents. I said I would speak for half an hour, but I do not intend to speak for that long. I anticipate that there will be plenty of opportunity at the appropriate time, when the proposed legislation comes forward, for debating some of those points.

However, I should like to raise the issue that, although the Opposition welcomes many aspects of the report, some questions still need to be raised. If the Government seeks to change the fundamental issues of adoption, it may destroy adoption as a viable alternative to effective child care. It may be introducing other more temporary forms of care rather than permanent ones.

Finally, it is clear that when a child who is adopted turns eighteen years of age, that child is then able to have full access to information. The Opposition supports the availability of information to children over the age of eighteen years. However, the Opposition is also concerned that if access to non-identified information is made available to children under the age of eighteen years, it may be disruptive to the child's security and wellbeing.

The Opposition is not in favour of retrospectivity. Generally speaking, there is much to be commended in the report and there are also areas for concern. The Opposition will wait until it reads the report and until there is further action from the Government in implementing some of these undertakings.

On the motion of Mr JASPER (Murray Valley), the debate was adjourned.

Mr FORDHAM (Minister of Education)—I move:

That the debate be adjourned until next day.

Mr JASPER (Murray Valley)—I seek an assurance from the Leader of the House that time will be provided during this sessional period or the next for further debate on this report.

Mr FORDHAM (Minister of Education) (*By leave*)—I am happy to give that assurance.

The motion was agreed to, and the debate was adjourned until next day.

The House adjourned at 2.21 *a.m. (Thursday).*

Thursday, 2 June 1983

The SPEAKER (the Hon. C. T. Edmunds) took the chair at 10.39 a.m. and read the prayer.

ABSENCE OF MINISTER

The SPEAKER (the Hon. C. T. Edmunds)—Order! I advise that the Minister for Local Government is attending a Ministerial conference in Canberra and will be absent from the House.

QUESTIONS WITHOUT NOTICE

DEPARTMENTAL FINANCE

Mr KENNETT (Leader of the Opposition)—I ask the Treasurer whether it is a fact that, because of the deteriorating situtation with the Current Account of the Budget, some departments have paid wages and salaries to employees with cheques drawn on other departments?

Mr JOLLY (Treasurer)—The procedures for payment of salaries have applied in the same way as they have been applied in the past. If there is any suggestion that they have not been, I shall take up the matter with my department.

VICTORIA POLICE FORCE

Mr ROSS-EDWARDS (Leader of the National Party)—I refer the Minister for Police and Emergency Services to various statements which have been made by both senior policemen and Premiers in all States, including the Victorian Premier, about the quality of police forces around Australia, both State and Federal. The statements that have been made are in conflict.

Will the Minister make a statement on behalf of the Government clarifying the position of the Victoria Police Force, in particular on the drug inquiry, and give the House the opportunity of debating that statement at an early date?

Mr MATHEWS (Minister for Police and Emergency Services)—I would certainly be glad to confer with the Leader of the House about the possibility of such a statement being accommodated in the Parliamentary time-table available to the Government. I agree with the thrust of the question put by the Leader of the National Party because I believe, frankly, that it would be a great misfortune for the State, and indeed, for the country as a whole, if the material which has come to light in the Stewart Royal Commission report and from a number of other sources in recent days were to lead to any diminution in the confidence that the community rightly feels in the Victoria Police Force.

I have found over the fourteen months or so that I have been Minister for Police and Emergency Services that the Victoria Police are rightly jealous of their high standing in the eyes of the community and zealous in following up the slightest suggestion of misconduct, far less corruption, which may be raised about their operations. However, the community expects the State Government also to be zealous in ensuring that any suggestion of this sort that may be raised is investigated to the hilt and any appropriate action needed to punish the wrongdoing taken. The community has a right to be confident that no person is permitted to remain a member of the Police Force if his standards are incompatible with those the community has a right to expect of its police. For that reason I have written today to the chairman of the board of review of the Victoria Police, Mr Tom Neesham, asking him and his fellow members to review, as a matter of urgency, the various disciplinary arrangements available to the Victoria Police in achieving that goal.

REGIONAL TOURIST AUTHORITIES

Mr ROWE (Essendon)—Will the Minister for Economic Development inform the House whether several of Victoria's regional tourist authorities are experiencing financial difficulties? If so, what action has the Government taken and how did the difficulties arise?

Mr CATHIE (Minister for Economic Development)—It is a fact that several regional tourist authorities are facing and have faced serious financial difficulties. It ought to be made clear why this has occurred.

The root cause of the problem, as the Opposition has already indicated, was that the former Liberal Party Minister for Tourism, Mr Graeme Weideman, directed the

Victorian Government Travel Authority to overspend its budget by $500 000 during the 1981-82 financial year. That over-budget commitment, which was entered into at the direction of the then Liberal Party Minister without the prior knowledge of the authority, was directed at promotional activity that was undertaken during the early part of 1982, that is, during the period leading up to the State election on 3 April 1982. Those funds were being used by a Liberal Party Minister to promote the Liberal Government during that election campaign, unsuccessfully as honourable members all know.

A letter dated 3 March 1982—just one month before the election—was written by the chairman of the authority to the then Minister for Tourism, and I will quote from the letter.

Mr MACLELLAN (Berwick)—On a point of order, Mr Speaker, the Minister has stated that he is quoting from a letter and I ask him to make it available to the Opposition.

The SPEAKER (the Hon. C. T. Edmunds)—Order! Will the Minister advise the Chair whether he is prepared to make the letter available?

Mr CATHIE (Minister for Economic Development)—Yes, Mr Speaker. In fact, I shall quote from two letters and I shall be happy to make available copies of both.

The letter from the chairman of the authority complained that the Minister's direction would lead to total expenditure in the then current financial year of approximately $3·8 million, as against a Budget allocation of $3·3 million.

Mr KENNETT (Leader of the Opposition)—On a point of order, Mr Speaker, the Minister has answered the question that was asked and is now debating it in an attempt to prove up the answer. I suggest that he is out of order in debating the matter.

The SPEAKER—Order! I do not uphold the point of order. I do not believe the Minister is debating the subject—at least, not yet. However, I advise the Leader of the Opposition that it has long been the custom for Ministers to be verbose in their answers to questions—not only Ministers in the present Government, but Ministers in previous Governments. I ask the Minister to come back to the answer and to try to abbreviate it.

Mr CATHIE (Minister for Economic Development)—A letter was written by the chairman of the authority seeking formal confirmation that additional funds to meet that expected Budget deficit would be made available prior to the end of the financial year. A reply to that letter was written by the Minister on 2 April, the day before the election, and I will read one sentence from it:

> The campaign was implemented with the full agreement of the Government and certainly at my direction.

I wonder whether the Minister had Treasury approval for that! In fact, the Minister was borrowing money from the next year's Budget—from our Budget.

The letter continues:

> In the event of there being a need for the authority to borrow to meet the deficit, you have my approval to take the necessary action.

In other words, the authority was instructed to borrow and go ahead without regard to its financial allocation by Treasury.

Mr HANN (Rodney)—On a point of order, Mr Speaker, the Minister is now quoting from a further document which is not one of the letters referred to. I ask him to table it.

The SPEAKER (the Hon. C. T. Edmunds)—Order! Will the Minister make it available?

Mr CATHIE (Minister for Economic Development)—Certainly, Mr Speaker. The necessity of repaying the amount this current financial year has meant that funds available to regional tourist authorities this year have declined in real terms. As a result we have had to provide emergency funding to some regional tourist authorities.

GOVERNMENT PROJECTS

Mr BROWN (Westernport)—Will the Treasurer advise whether it is a fact that accounts currently outstanding to contractors and suppliers on Government projects are at present in excess of $120 million?

Mr JOLLY (Treasurer)—I cannot confirm that position. I should indicate that, so far as our payments are concerned, the procedures being followed are those that were

followed in the past. So far as the Government is concerned, there is no problem in meeting those payments.

INDUSTRIAL RELATIONS IN SCHOOLS

Mr HANN (Rodney)—In view of the assurances and promises given prior to the last election that there would be industrial harmony, will the Minister of Education explain whether he believes industrial harmony is being achieved by the stop-work meeting of 4000 teachers in technical schools with a consequent disruption to those schools, particularly for the students? What does the Minister intend to do about it?

Mr FORDHAM (Minister of Education)—I thank Mrs Dix for her question! I understand that the Deputy Leader of the National Party was not in the House at question time yesterday when a similar matter was raised by the spokesman for the Liberal Party. The question alluded to the commitment of the now Government to the development of industrial peace in our schools.

I invite the Deputy Leader of the National Party to compare the record of the Labor Government over the past fifteen months with that of its predecessor. The history of the Liberal Party in government resulted in strike after strike and action after action in the school system because of its refusal to have a meaningful relationship with Victorian teachers.

Honourable members interjecting.

The SPEAKER (the Hon. C. T. Edmunds)—Order! The honourable member for Malvern defies the authority of the Chair by persistently interjecting. I will take action if he does not cease interjecting.

Mr FORDHAM—Our record in this area is nothing less than outstanding. The dozens of schools I visit and the school principals and school council members with whom I speak, all draw attention to the enormous change they have noticed in industrial relations. This has been an enormous step forward.

As I said yesterday, negotiations on the log of claims have been taking place with technical schools for an extended period of time. The union has called a meeting of its members to report the outcome of those negotiations.

As I understand it, resulting from the agreement that has been reached between union officials and the Government, the officials will be recommending the acceptance of the agreement that has been developed. The Government can then look forward to further industrial peace in our technical schools.

I invite the Deputy Leader of the National Party to consult with school communities across Victoria. The honourable member will get nothing but praise of the attitude and performance of the Government so far as industrial relations is concerned. The Government has shown a real concern for the children of Victoria and has not used them as the previous Government tried and was successful in doing for a long time. The Government is delighted with the outcome of its policy on industrial relations.

INTERNATIONAL HARVESTER AUSTRALIA LTD

Mr ERNST (Geelong East)—Can the Minister for Economic Development inform the House of the steps taken by the Government in relation to International Harvester Australia Ltd?

Mr CATHIE (Minister for Economic Development)—I am pleased to inform the honourable member that the trustees for International Harvester Australia Ltd have sold the plant and equipment at Geelong to the Geelong Regional Commission for $5·8 million.

That land and equipment will be leased to a new agricultural company that has been formed by a group or consortium of businessmen known as the Geelong Agricultural Company. That means that one-third of the plant that has been idle since last December will be leased to the Geelong-based company to manufacture agricultural implements.

In fact, the company has a number of firm orders from International Harvester Australia Ltd. That has been the key to allowing the successful reopening of the plant to proceed. The company will initially employ 110 people at the plant and ultimately 200 people, many of whom were former International Harvester Australia Ltd

employees. It is expected that production will resume on 1 July.

WORKING HOURS FOR EMPLOYEES IN HEALTH SERVICES

Mr LIEBERMAN (Benambra)—Will the Minister of Health inform the House how many of his planned cuts and curtailments in health services in this State will be avoided if he does not introduce the 38-hour week proposal to be implemented from 4 July?

Mr ROPER (Minister of Health)—The Government is continuing the policy of the previous Government in relation to the 38-hour working week. It is determined to ensure that health employees are not the last of the State employees to get a 38-hour week as every other person for whose pay the State is responsible now works a 38-hour week.

It would be grossly unfair of this Government to stop that process from affecting the health industry. As I have made clear to the House in the past, as the 38-hour week has been paid for in other departments and other instrumentalities across the range of Government activities, so it will be paid for across the whole range of Government activities, not simply concentrated in the health area.

MOTOR CYCLIST FATALITIES

Mr NEWTON (Bennettswood)—Can the Minister of Transport inform the House what action has been taken to reduce the road fatalities among motor cyclists on Victorian roads?

Mr CRABB (Minister of Transport)—I thank the honourable member for his interest in the matter. The House will recall that last year the Government introduced legislation to enable off-road training of motor cyclists. Honourable members will be pleased to know that that system comes into operation next Monday, 6 June. As honourable members will recall, the system provides that motor cyclists are required to take a skills test before they can obtain learners' licences.

The reason for addressing the matter in this way is that an unacceptable number of learner motor cyclists are killed on our roads. To indicate how bad the situation is, the Ministry had figures calculated recently that showed that only one in 100 car drivers who are killed or injured on the roads are L-plate drivers but 30 per cent of motor cyclists who are killed or injured on the roads are learners.

It would be of assistance to me and the people of Victoria if honourable members could draw the attention of their constituents to the dangers involved in motor cyclists riding on our roads without being properly trained.

I encourage everyone who wishes to ride a motor cycle to become involved in our off-road motor cycle rider training scheme.

CASH MANAGEMENT ACCOUNT

Mr RAMSAY (Balwyn)—In view of the extensive borrowings that the Government has had to make from the Cash Management Account, will the Treasurer make available to the House a monthly statement of the condition of the Cash Management Account indicating where its investments are and the rates of interest that are being earned on it?

Mr JOLLY (Treasurer)—Once again, the question indicates that the Opposition does not understand how the Victorian Development Fund and the Cash Managment Account operate. I repeat the invitation for honourable members opposite to receive a briefing from the officials and managers of the Victorian Development Fund to give them a better understanding of its operation.

The Cash Management Account operates on the basis of negotiable rates of interest from organizations that deposit moneys in it. It would not be sensible to provide an average rate of interest over those periods, because, as honourable members opposite should appreciate, the rates of interest that prevail on a 24-hour or slightly longer deposit vary and it is not possible to provide all the detailed information which the honourable member seeks.

However, a number of questions have been raised by honourable members interested in the Victorian Development Fund, and I shall provide an interim report on the way in which the fund operates because those honourable members did not take up the opportunity of receiving a briefing from the managers of the Victorian Development Fund.

REGIONAL TOURIST AUTHORITIES

Mr JASPER (Murray Valley)—I direct a question to the Minister for Economic Development, in his capacity as Minister responsible for tourism, and refer to his earlier reply to a question when he gave the House a history lesson about the previous Government and the previous Minister for Tourism, and to the current situation facing tourist authorities. Will the Minister give a complete and accurate account to Parliament of what will be the future for tourist authorities in country Victoria, particularly in relation to their funding and future development?

Mr CATHIE (Minister for Economic Development)—I indicated the other day that no decision had been made about the future of regional tourist authorities in this State. Following the setting up of the Victorian Tourist Commission, a number of proposals are currently under consideration by the Government, and when a decision has been made, I shall be happy to make an announcement to the House.

OPERATION INNOCENTS

Mrs RAY (Box Hill)—Can the Minister for Community Welfare Services inform the House of the response that has been received to Operation Innocents and what action she is taking to address the problems it has shown to exist?

Mrs TONER (Minister for Community Welfare Services)—The honourable member for Box Hill has raised the important issue of the matters that were discovered as a result of the work of the police and welfare workers in the Operation Innocents project. I told the House previously that officers of the Department of Community Welfare Services worked with the police on this operation yesterday. The result was that 600 calls were received. The most common matter that was reported was incest; over 100 calls were received about cases in this very worrying area.

Honourable members interjecting.

Mrs TONER—I am surprised at the levity of honourable members about such an important subject. Officers of the department are meeting with medical authorities and officers of the Police Sexual Offences Squad at this moment to examine the reported cases of incest and to work out the best plan of action for responding to these reports. Sexual abuse of children by members of their families is an extremely difficult and complex problem of which our society needs to be aware.

I am glad that Operation Innocents was able to expose this problem and to bring a very difficult matter to the attention of the public. I hope my department and other authorities will be able to devise a sensitive method of responding to these cases.

I refer again to the particular problems of the inner urban regions that were revealed in the work of Operation Delta's phone-in and I direct the attention of the House to the establishment of a supervision unit for young people at risk. This unit, which begins work this month, will monitor the needs of young people in the inner city region. Five well trained and sensitive youth workers will be employed for this purpose. The unit will ensure that programmes are developed to assist young people. From the numerous interjections, obviously members of the Opposition and the National Party do not wish to take this important subject seriously.

The supervision team has been developed in very close consultation with Brother Alex McDonald and the Delta task force. Nevertheless, my department will always have difficulties coping with the attitudes of certain members of the public and even of this Parliament who refuse to take a serious matter like this to their hearts. My department and others involved in this work are facing up to well-organized and unscrupulous criminal elements in the community who, whatever welfare services are provided, will always prey on young people.

The aim of the Government is to provide supervision, protection and employment for young people and those young people who have slipped through society's network will benefit from the supervision unit that has been set up in the inner urban region. The unit will counter-balance the neglect in the area of what is a long-standing problem.

OCCUPATIONAL HEALTH AND SAFETY TRAINING

Mr CULPIN (Glenroy)—Will the Minister for Employment and Training inform the House what grants have been made available for training in occupational health and safety?

Mr SIMMONDS (Minister for Employment and Training)—Grants that have been made available for occupational health and safety training to date include a grant to the Victorian Trades Hall Council training programme to enable the training of personnel who are seconded from industry to prepare for the introduction of the occupational health and safety policy of the Government and the proposed commission which will be established by the proposed legislation that will be introduced in the spring sessional period.

In addition, the Victorian Chamber of Manufactures has received a grant of $105 100 for twelve months, which is being administered by a steering committee comprising representatives of the Victorian Chamber of Manufactures, staff of the Ministry of Employment and Training and the principal of a small manufacturing company.

It is important that an understanding be achieved of the role of the training grants so that there is an appreciation of the role and development of training programmes in the implementation of Government policy. Yesterday I was questioned by the Victorian Congress of Employer Associations at a luncheon at the headquarters of the Master Builders Association attended by all of the major employer organizations in Victoria who had responded to the discussion paper. They raised a number of questions on training.

The point I wish to make is that the training grants are an essential element in creating a climate and conditions for a change in this area, which will be essential for a proper implementation of Government policy.

Many queries and questions were asked yesterday. If the points I have made are viewed in that context, honourable members will achieve a far greater level of understanding of the policy. The response to the discussion paper is an indication of the interest in the policy by not only employers but also trade unions.

Some 150 responses have been received and all the major employer organizations have responded. Most of these responses have common ground with the Government's policy. The areas on which some concern has been expressed will be further resolved through the consultative process. Approximately 50 major employers in Victoria responded and I might add that employers most directly involved in the building and construction industry, through the Master Builders' Association, have put forward one of the most constructive papers on this issue.

The National Safety Council has produced a document of some 140 pages and the Government is indebted to the organizations which have responded in such a full manner on health, safety training and education. The Government believes it is taking a constructive approach in reducing industrial accidents and diseases in Victoria, which on a national basis will cost the community some $6 billion, and Victoria's share of that will be some $2 billion. That small investment in training will be appreciated, and I congratulate the Trades Hall Council and the Victorian Chamber of Manufactures for their involvement and many other employer organizations, such as the Metal Trades Industry Association, which has indicated an interest in this area and is in the process of working with officers of my department to work up a training programme to assist its members.

PETITION

The Clerk—I have received the following petition for presentation to Parliament:

Wiltona hostel accommodation

TO THE HONOURABLE THE SPEAKER AND MEMBERS OF THE LEGISLATIVE ASSEMBLY IN PARLIAMENT ASSEMBLED:

We, the undersigned citizens of Victoria, by this petition show our grave concern that the Government proposes to use the Wiltona Migrant Hostel in Williamstown for the purpose of providing accommodation for prisoners.

We believe that the Wiltona hostel is entirely inappropriate for the purpose of housing prisoners situated as it is within the general industrial locality serving the petrochemical industry and presents an unacceptable risk to members of the local community and to the prisoners themselves and we pray that Parliament will take action to ensure that the Government proposal is not implemented. And your petitioners, as in duty bound, will ever pray.

By **Mr Stirling** (1409 signatures)

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

PAPERS

The following papers, pursuant to the direction of an Act of Parliament, were laid upon the table by the Clerk:

Town and Country Planning Act 1961:

Ballarat—Shire of Ballarat Planning Scheme, Amendment No. 14.

Buninyong—Shire of Buninyong Planning Scheme, Amendment No. 9.

Cobram—Shire of Cobram Planning Scheme 1979, Amendment No. 5.

Hastings—Shire of Hastings Planning Scheme, Amendment No. 14.

Horsham—City of Horsham Planning Scheme, Amendment No. 73 (1982).

Lillydale—Shire of Lillydale Planning Scheme 1958, Amendment No. 157.

Sebastopol—Borough of Sebastopol Planning Scheme, Amendment No. 25.

Seymour Planning Scheme, Amendment No. 69.

Shepparton—City of Shepparton Planning Scheme 1953, Amendment No. 65.

Sherbrooke—Shire of Sherbrooke Planning Scheme 1979 (Urban Areas), Amendment No. 4A (1983).

FIREARMS (AMENDMENT) 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.

ANZ EXECUTORS AND TRUSTEE COMPANY BILL

Mr CAIN (Attorney-General), by leave, moved for leave to bring in a Bill to amend the Trustee Companies Act 1958, to provide for the transfer to a wholly owned subsidiary of Australia and New Zealand Banking Group Ltd of the trust business of The Trustees Executors and Agency Co. Ltd and for other purposes.

The motion was agreed to.

The Bill was brought in and read a first time.

APPROPRIATION MESSAGE

The SPEAKER (the Hon. C. T. Edmunds) announced the presentation of a message from His Excellency the Governor recommending that an appropriation be made from the Consolidated Fund for the purposes of the Construction Industry Long Service Leave Bill.

HOSPITALS SUPERANNUATION (AMENDMENT) BILL

Mr JOLLY (Treasurer) moved for leave to bring in a Bill to amend the Hospitals Superannuation Act 1965, and for other purposes.

The motion was agreed to.

Mr JOLLY (Treasurer)—I move:

That the Bill be printed and the second reading be made an Order of the Day for tomorrow.

Mr MACLELLAN (Berwick)—On the question of the Bill being read a second time tomorrow, I ask whether it is the intention of the Government that the Bill should proceed through this place and another place in this sessional period? If that is the case, I have no objection to the second reading of the Bill tomorrow but, if it is not the case, I ask that the Bill be read a second time later this day.

Mr JOLLY (Treasurer)—It is.

The motion was agreed to.

STATE EMPLOYEES RETIREMENT BENEFITS (AMENDMENT) BILL

Mr JOLLY (Treasurer) moved for leave to bring in a Bill to amend the State Employees Retirement Benefits Act 1979 and for other purposes.

The motion was agreed to.

The Bill was brought in and read a first time.

NOTICE OF MOTION

The following notice of motion by Mr Tanner was called on:

That all aspects of workers' compensation in the State of Victoria be referred to the Social Development Committee for inquiry, consideration and report.

The SPEAKER (the Hon. C. T. Edmunds)—I call upon the honourable member for Caulfield.

Mr RAMSAY (Balwyn)—Mr Speaker——

The SPEAKER—I advise the House that the matter cannot be dealt with by proxy.

Mr RAMSAY—I wanted to advise the House that the honourable member for Caulfield has been sponsored by this Parliament to attend the Australian Administrative Staff College, and that is the reason for his absence.

The SPEAKER—I find that interesting but not relevant. The notice will be dropped from the Notice Paper.

PUBLIC AUTHORITIES

Return on assets

Mr RAMSAY (Balwyn)—At this stage, I seek leave of the House to amend the date proposed in the notice of motion by which time this report should be available to the Parliament from 30 June to 9 August 1983.

Mr JOLLY (Treasurer)—Leave is granted.

Mr RAMSAY (Balwyn)—I thank the House for its agreement to that point. Accordingly, by leave, I move:

> That the principle of public authorities being required to earn a target real rate of return on their assets and the mechanism by which such rates of return should be calculated, be referred to the Economic and Budget Review Committee for inquiry, consideration and report to the Parliament by 9 August 1983.

The notion of a real rate of return target for public authorities has been canvassed strongly by this Government over a number of months. The Treasurer made much of it in his Budget speech and the Budget Papers issued last September went to some length to explain just what the Government was proposing in suggesting this real rate of return target for these authorities.

Page 30 of Budget Document No. 5 deals with public authority dividends. After indicating what public authority dividend payments the Government will be seeking this year, the document stated:

> This emphasizes the setting of prices and selection of investment projects so as to yield a real rate of return of at least 5 per cent on the written-down current replacement cost of assets in service.
>
> Dividends based on equity will spread the economic benefits of public investments as widely and as fairly as possible. At present, every taxpaying Victorian is an investor in State public enterprises but not every taxpayer receives a fair return for that investment.

The Government saw fit to make that claim in the Budget Papers. In later statements, it re-emphasized its commitment to this concept. During debate in this Chamber on the Public Authorities (Contributions) (Amendment) Bill of 31 March, the Treasurer again emphasized the importance to the Government of public authorities achieving a real rate of return. On the third occasion, on 21 April, the Treasurer issued a lengthy statement headed, "Rate of return guidelines for public authority pricing, and public authority dividend." It explained that the Treasurer saw fit to make the statement because of his realization of a growing misunderstanding in the community about what was meant by "the real rate of return" and what the Government was trying to achieve.

The real rate of return has been defined in terms that are readily understood by economists, but not readily understood by the general community. The clearest definition I could give the House is that the real rate of return is the net unit for what private enterprise would call profit earned by the authority after depreciation, which is calculated on replacement cost, not historic cost, or interest. It is expressed as a percentage of the total value of replacement prices of the total assets of the authority. The concept is not readily understood and people need to analyse the definition to be clear of the intention. The real rate of return is the net revenue. The net revenue is how much the enterprise has earned in revenue, less its costs, including costs of depreciation. The basis on which that depreciation is calculated is important. It needs to be a replacement cost calculation, rather than an historic cost calculation, but the rate of interest is left out because the calculation is made before deducting interest payments. The calculation of the rate of interest earned by an authority on its assets should be independent of the way in which the purchase of those assets has been financed.

The fact that the authority is obliged to pay interest on moneys borrowed does not affect the real rate of return. Once the real rate of return is clear, the natural question to ask is why the Government wants to set targets of real rates of interest for statutory authorities. Three reasons appear to have been given by the Treasurer in the many statements he has made in the past few months. The first is to encourage the efficiency of the enterprise. As all honourable

members know, the concept in private enterprise of maximizing profits is, in itself, an encouragement to efficiency. If a public enterprise is not obliged to achieve a real rate of return, it may be that inefficient practices and unnecessary costs are going undetected and, by setting a target of a real rate of return, those inefficiencies and unnecessary costs may be eliminated.

One has the encouragement of efficiency, a feature which I am sure would have the support of all honourable members.

The second reason the Treasurer has given is to help determine the best allocation of resources in the public sector. If resources are allocated in a manner which does not maximize the rate of return, perhaps it is a bad allocation of resources and those in positions of authority should be giving consideration to whether some other allocation of resources in the public sector could increase the rate of return.

Again, a real rate of return becomes a useful instrument of measurement in the public authorities both for themselves and for the Government, in helping to determine the best resource allocation.

The third reason the Treasurer has given, on more than one occasion, appears to be to enable authorities to pay a dividend to the Government on the assumption that the Government is a major shareholder in all our public authorities. If a public authority is not earning a real rate of return, it is difficult to pay a dividend to shareholders. The same is true for a private company if it is not making a profit. On reading the statement of the Treasurer it would seem that this is his major requirement.

The public authorities dividend has not been enshrined in legislation. However, Parliament is on notice that legislation will be introduced to provide a legislative basis for the payment of a public authorities dividend which is dependent on the public authorities earning a real rate of return from which this dividend can be paid.

On a general analysis of the proposal, it sounds clear and straightforward. Public authorities should be run efficiently. They should have pricing policies so that they are earning the money on the investment that has been made in the authority, and the concept of the Government taking part of those earnings in the payment of a dividend for the use of the consolidated revenue is one that, from any logical point of view, can be accepted quite readily.

However, the point of the motion is that there are a number of problems and, if the Department of Management and Budget is addressing the problems, it is doing so in private. A number of problems need to be understood by the community, the Parliament and the Treasurer. It is to get those problems in a public sense that I am proposing that the whole question of a public authority being required to earn a target real rate of return and the mechanism by which this should be calculated could be sent to the Economic and Budget Review Committee so that evidence could be called.

The public authority that may be obliged to earn this real rate of return can indicate in a public inquiry the sort of problems it has faced in achieving it, and a fuller community understanding can be developed on the nature of the concept.

I shall quickly outline some of the problems. I have already alluded to the first problem, which concerns a lack of public understanding on what is to be achieved. The public, is concerned that, if the Government places new requirements on statutory authorities, it will mean an increase in charges and they will have to pay more. Ratepayers and commissioners of the Melbourne and Metropolitan Board of Works express concern about the possibility of rate increases as a result of this requirement. The same applies to water trusts across Victoria.

Will they be asked to earn a real rate of return above that which they are currently earning, if any; if so, will that be achieved by improvements in efficiency or will it mean a rate increase? If that is the case, will the Government require a public authority dividend to be paid by those various water authorities? There is a lack of public understanding about what the Government is seeking to achieve.

The second problem—I say this not in extreme criticism—is that there is a degree of Ministerial misunderstanding. Not only do members of the public fail to understand what is happening, but the Treasurer, in a number of his statements, has indicated that he too is not crystal clear about what will happen.

This was amply illustrated in the debate on the Public Authorities (Contributions) (Amendment) Bill, introduced by the Treasurer to this House on 31 March. He outlined the two principles as the basis of the real rate of return in the public authority dividend tax, but he then engaged in what, on close analysis, amounts to double talk when he said that the level of payments required under these new provisions will not increase the charges of the four authorities above the level that would otherwise have existed in the current financial year. Whether the Treasurer was deliberately qualifying that statement by saying "in the current financial year" and meaning the financial year ending 30 June, when he knows perfectly well the rates and charges of the authorities for the remainder of this financial year are fixed, is not clear.

The Treasurer went on to say that, given that the public authority dividend payments flow from the generation of a rate of return by these authorities, they are not, in themselves, a cost push factor. The Treasurer has taken a fine point in making that assertion that if a public authority is earning a real rate of return, the fact that the Government wants that authority to pay a dividend will not be a cost push factor.

The Treasurer is avoiding the fact that if the Government demands a public authority dividend from any public body and that dividend or rate of return has not been earned by that authority, there will be a cost push factor. No doubt, the Treasurer would point out that he then went on to say exactly that. He said that to the extent the authorities are not currently generating the rate of return required by the Government, some increases in prices or tariffs may be necessary. The Treasurer should have said that some increases will be necessary.

If the Government imposes a public authority dividend on public authorities currently costing their services at a basic level to keep the costs to the consumers as low as possible to the extent where they are not earning a real rate of return, the Government's requirement for a dividend payment will need to increase. The Treasurer must understand that, and I do not believe he does at the moment.

There have been public policies in the past where the whole thrust of the services provided by organizations be they water—works trusts or any other public utility, has been to keep cost increases to an absolute minimum. Sometimes this has been done at the expense of earning a real rate of return on the public equity in the body concerned. That is a policy decision. If the Government changes that policy in any area, there will be cost increases.

Mr Richardson—I draw your attention, Mr Acting Speaker, to the state of the House.

A quorum was formed.

Mr RAMSAY—In a statement of 21 April, the Treasurer had a change of heart. Having indicated ever since the Budget speech of last September that the target rate of return the Government was expecting to achieve was 5 per cent, some months later, the Treasurer has now issued a statement indicating why the Government will change that figure of 5 per cent to 4 per cent. In that statement, the Treasurer said that the target rate return of 5 per cent was originally established by the Government for the public authority with reference to the Government's assessment of the opportunity costs of using funds in the public sector. He could well have used the word "guess" rather than "assessment" because, from the evidence, that figure of 5 per cent was plucked out of the air.

The Treasurer went on to say that the aim of the rate of return policy is to ensure that authorities optimize the mix of debt and equity capital so that they are using the public resources at the over-all opportunity cost of capital. He then explained how an authority should obtain a balance between borrowing and equity. After receiving further information, the Treasurer said that the Government's view was reaffirmed that the real rate of return of equity was higher than the real rate of return on debt capital, but the level for both was lower than it was first thought. The Treasurer then came up with the adjustment of the figure of 5 per cent to 4 per cent.

A reading of the statement of 21 April suggests that the Treasurer is still uncertain of exactly what direction he is taking. He is waiting on further advice from the Department of Management and Budget before he makes up his mind and introduces the much-heralded proposed legislation to provide for a public authority dividend. This is

another good reason why honourable members should ask the Economic and Budget Review Committee of this Parliament to tackle this problem as a matter of urgency.

A fourth difficulty exists in terms of the simple practical difficulties of this calculation. Any accountant knows just how many and how complicated those difficulties are. In practice, how does one apply the concept of a real rate of return to a statutory authority? Some of the statutory authorities such as the State Electricity Commission and the Gas and Fuel Corporation, are extraordinarily complex and capital intensive.

The difficulties are not new; they have bothered accountants for years. By way of example, I ask how does one value assets at current replacement cost rather than historic cost or original purchase price when there is no market?

The State Electricity Commission can say what it cost to build the Yallourn "W" power station, but there is no market for that power station. It is not something that one can take around the world to sell. The market for used power stations does not exist. The Bureau of Statistics will not give an index of the prices of power stations. Therefore, how is depreciation at replacement cost calculated?

Further, how does one measure the State's equity in an authority's assets? After all, the authority has contributed to the purchase of those assets partly through its own pricing policies, the revenue that is being raised and the borrowings that have gone into it. How does one identify what assets of the authority are the equity of the Government? Those are the problems that the Economic and Budget Review Committee could examine to develop helpful guidelines and recommendations for the benefit of Victoria and for the guidance of the Minister and the Government.

A fifth difficulty is how one identifies the Government as a shareholder in statutory authorities. A good example close to the hearts of metropolitan ratepayers is the Melbourne and Metropolitan Board of Works. The Government claims that there is some Government equity in the Board of Works. However, in examining how those assets have been funded over the years, it is clear that the board has been built largely on loan funds and funds on which the interest has been paid by the ratepayers of Melbourne; the loans have been repaid on maturity by the ratepayers of Melbourne and work has been done using funds raised through rates supplied by the ratepayers of Melbourne.

It is difficult to identify anywhere where the people of Victoria as represented by the Government have actually contributed to the assets of the Board of Works. There may be some areas in a closer examination, such as the catchments of the board, which could be regarded as public or Crown land and, undoubtedly, some value could be put on that land as a contribution to the equity of the board provided by the people of Victoria. However, a great deal of work needs to be done if that concept is followed through and that is the type of problem that the Economic and Budget Review Committee could well tackle.

The same principle will apply to other waterworks trusts and sewerage authorities. If those public bodies are required to earn a real rate of return for the Government to receive a dividend, the identification of the Government's equity in each of those bodies is an important part of the calculation that must be made.

There is a sixth difficulty, and I ask the Treasurer: What happens when an authority has a bad year? If there is a requirement that an authority earn a real rate of return, there is always the chance that economic conditions will cause that authority to experience a bad year. If there is to be a maintenance of a real rate of return, the only way to do it in a bad year, if the operation is pitched to the highest level of efficiency, is to increase charges. Is that what the Government wants to achieve?

The same problem faces private enterprise and the analogy can be clear. If a private enterprise business has a bad year and fails to earn its real rate of return and makes a loss, there is no profit or dividends to be distributed to shareholders in that year.

What happens when a statutory authority under Government direction to earn a real rate of return has a bad year? One example of this is the Port of Melbourne Authority. As result of the economic hesitancy in the country at present, the general revenue earnings of the authority have not met expectations. The Government has turned

around and required the authority to contribute $6 million as a public authority contribution which, notionally, according to the Treasurer, is a public authority dividend whereas it has asked the authority to pay a dividend out of its earnings for a year when those earnings were negative.

The question of what happens when an authority has a bad year and fails to achieve a real rate of return is important. What is the Government's directions under those circumstances? That has not been explained to the House and is another matter that the committee could consider.

The seventh difficulty which makes this investigatory report even more essential is the biggest problem of all and arises from the fact that a public enterprise is not a private enterprise.

Mr Jolly—It should operate efficiently, though.

Mr RAMSAY—It should operate efficiently; it is important for it to operate efficiently and it is important that mechanisms should be put in to ensure that it does. The one thing a public enterprise can never do when compared with private enterprise is to go broke because somewhere along the line a public enterprise will be bailed out by the Government.

The Government guarantee that is standing behind public enterprise is always there. It means that, when a public enterprise gets into difficulty, it does not simply call in the liquidators and go into receivership and it does not pay 20 cents in the dollar to its creditors and it does not send the shareholders away with empty pockets; it muddles through in one way or another.

This situation is looming at present with the State Electricity Commission. What will the Government do about the enormous costs that are confronting the commission for the Loy Yang power station? If the commission finds that for one reason or another the cost of the Loy Yang power station has exploded, as it has from all reports to a sum of more than $5000 million, and if the commission is to be earning a real rate of return on the basis of that capital asset and be paying a dividend to the Government, the cost of electricity will be put up enormously. Because of its monopoly in providing electricity, the users of electricity will have to pay the price.

The Government may well turn around and say that if the Loy Yang power station had been built within the constraints that were originally envisaged, the price of electricity would have been very much lower.

The Government is telling State Electricity Commission customers that it is bad luck that the cost of Loy Yang is what it is because electricity cannot be produced any cheaper and, therefore, the State Electricity Commission customers will have to pay more for electricity.

Large industrial users of electricity, such as Alcoa of Australia Ltd, must consider their futures in having to meet those sorts of costs.

That highlights the problem of saying to public enterprises, "You shall earn a real rate of return and you shall strike your pricing at a level to ensure that you earn that real rate of return". Somewhere along the line the public authority that provides the service to the community has to market its product at a price that is acceptable to the consumer. If the Government says, "You must earn a real rate of return", that real rate of return must be achieved not by raising the price but by increasing efficiency and cutting costs. This is what the Government has told the State Electricity Commission.

The *Australian Financial Review* of 29 March this year carried an article under the headline, "Tough Victorian power guidelines for Loy Yang". The article states that one of the guidelines the Government has imposed on the State Electricity Commission is the requirement that the average available capacity over the life of Loy Yang must be at least 75 per cent. Those who understand the situation in the State Electricity Commission will understand the importance of that guideline. The available capacity of the State Electricity Commission power stations has traditionally been considerably lower than 75 per cent. That is of immense concern to the commission, the Government and Victorians.

Unless the available capacity can be increased to a better level than that achieved in the past, there will be nothing other than a substantial increase in electricity charges, which will cripple Victorian industry. It is not good enough for the Government to say, "Whatever happens, we will get a real

rate of return and we will get a public authority dividend from all of the public authorities".

If the Government insists on a public authority dividend from the State Electricity Commission, operating at 75 per cent capacity and unless it waits until the commission achieves the available capacity, the Government will ensure that electricity tariffs will have a prejudicial effect on the development of Victorian industry. That problem has been identified in the search by the Government for a real rate of return from public authorities.

I know that the Treasurer recognizes that there are difficulties. The Government has acknowledged these difficulties by deferring a Bill to establish public authority dividends.

However, the time has come when the Economic and Budget Review Committee should be given a chance to analyse these matters publicly and make its contribution to a final solution, which would enable the public authorities to operate with maximum efficiency and with an open record as far as their financial positions are concerned.

It is not good enough that this decision be made within the confines of the Department of Management and Budget. It is not good enough that the Government introduce a Bill without having a full and public analysis of the problems.

Naturally, the Parliament is a public forum where these matters can be discussed, however, there is so much evidence of the problems that exist in these areas that the Economic and Budget Review Committee should examine the matters and call for expert witnesses from the statutory authorities to fully and publicly analyse the problems. That is what the Government should do rather than simply introduce a Bill.

Mr B. J. EVANS (Gippsland East)—The National Party does not support the motion. The effect of the motion, if agreed to, would be to give some degree of approval to a principle, which the National Party does not accept as being a reasonable and a rational one, namely, that public authorites should be required to earn a target real rate of return on their assets. That does not have any degree of logic because it would bear no fairness or equity for the community.

The first indication I had of this principle being advocated was in the first report of the Public Bodies Review Committee in 1981, which was based on a study by the Institute of Applied Economic and Social Research of the University of Melbourne on the economic impact of public bodies in Victoria.

It is interesting to study that report. I have been critical of the format of the report because it takes the form of a report of an all-party committee, but the bulk of the report was compiled by the Institute of Applied Economic and Social Research.

The inquiry on which the report was produced referred specifically to the Victorian water industry. Yet the report was concerned with Government involvement in the provision of a whole range of services to Victoria. Surely it is the function of Government to provide services to the community?

Although the report was wide-ranging in its implications, it directed attention to one specific section of Government enterprise, namely, the water industry. It did not receive the attention it deserved from the community. Indeed, it was only the water industry that felt it should respond. The views of the Institute of Applied Economic and Social Research were afforded a status to which I do not believe they were entitled.

This document is a report to the Public Bodies Review Committee but it was given the status of a report of the Public Bodies Review Committee, which is an entirely different thing. Mr Speaker has taken certain action on this type of activity on the part of committees of this Parliament, following my criticism of this very type of operation.

Another point that I raise is that the people in the water industry, the secretaries of water trusts, but more particularly the commissioners of water trusts and sewerage authorities, who may wish to criticize this report, have to do so at their own time and trouble and expense. These people have to put themselves out personally to make some attempt to answer the argument put forward in this report. On the other hand, this particular body of people was given a privileged position. They were paid to give evidence to this committee. It is a travesty of our democratic process that a committee of this Parliament should pay one group of people to give their opinions—and that is all this report is—and then the report was

circulated at great expense to this Parliament. The people with the contrary point of view had to do all the work voluntarily and at their own expense and at their own inconvenience. It is a great travesty of the democratic system and is completely unjust.

It is interesting to note that the preamble to the report from the Institute of Applied Social and Economic Research states:

> This report was prepared by Dr P. J. Sheehan, Mr R. Gunston and Mr T. Friend of the Institute staff.

Dr P. J. Sheehan, who was a member of the institute staff in August 1981, is now the Director of the Department of Management and Budget. It is noteworthy, further down in the opening remarks, that the institute expresses its thanks to Dr Kevin Foley, M.P. and Mr R. Jolly, M.P. The concept was put forward by the same people who are now in the position of putting the concept into effect. Without going too much into the detail of this report, one of the significant suggestions—I will not give them the status of recommendations—made in this report was that Government business undertakings should be required to produce a real rate of return on the capital invested. It went on to state that in such bodies, where such a target is not appropriate, for example the Melbourne and Metropolitan Tramways Board and VicRail, other targets should be set.

On studying this report, I have been unable to find where the committee justifies the exemption of such bodies as VicRail and the Tramways Board. The reasons why those bodies were excepted—and they are not the only ones—were based on a party political judgment. There is no justification for it. The Government and the Treasurer have to make up their minds. If the Treasurer earnestly believes in this as a matter of unarguable principle, then he cannot say that VicRail and the Tramways Board should be excepted. The Government cannot have its cake and eat it too.

The Minister, by interjection, says that metropolitan passenger services are a social service for the people in the metropolitan area. That very question applies in virtually every service. I suppose every honourable member has received requests in recent time from pensioners seeking a reduction in their charges for State Electricity Commission power; they seek a reduction in the cost of motor car drivers' licences; they seek it in a great range of areas where these concessions are regarded as a social service. I reject that proposition by the Treasurer. I do not believe that a sufficient distinction can be drawn between the provision of a passenger service, or a transportation service, and many other areas of Government activity which are regarded as a business enterprise. In particular, the interjection of the Minister indicates that his political judgment is—and he is entitled to this judgment—that he has a greater responsibility to provide cheap transportation systems for the metropolitan area of Melbourne than he has to ensure that all people in country areas get a drink of water. He is entitled to have a political opinion that people in the country do not matter, but let him say so. He should not hide this political opinion behind the imprimatur of the authority of a Parliamentary political committee and he should not deceive the people of this State about his real political opinions. The water I drink has almost certainly come from part of the electorate of Gippsland East.

I am completely opposed to this proposition because the question of whether a particular area of Government responsibility should return a dividend or should be subsidized, or parts thereof should be subsidized, or whether there should be cross-subsidization, is a matter of party political judgment.

The motion should be rejected. The only virtue of the motion is that it throws the matter open for general argument but, knowing the basis of it, honourable members cannot disregard the fact that when it comes to the crunch and a division of opinion on a political issue, there is no question on whose side the committee will come down.

The matter is concerned mainly about political argument. We, as individual politicians, are supposed to argue before the people we represent as to whether any particular form of Government service should be provided. If it is generally regarded that a service should be provided, that opinion should be represented. I am interested to hear the Minister's explanation of why he regards irrigation, for example, as not being a Government business undertaking. It is a matter of one's personal priorities.

I would hate to be the most educated person yet not have enough water to drink. That does not seem to be the basis of priorities in the mind of the Treasurer. The Treasurer, by way of interjection, comments on irrigation and seems to imply that it should be a Government business undertaking. I hope the honourable gentleman clarifies his many interjections when he has the opportunity of replying. I shall look forward to that.

The Minister seems to imply that the provision of water for irrigation should be regarded as a Government business undertaking because presumably the farmers who use the water are doing so in order to make money. Historically, the provision of water storages in Victoria has been a political decision of the Government of the day and related to the provision of the standard of living that is sought in this country.

This country must be able to produce something which other parts of the world wish to buy from it, so that any necessities that Australia cannot provide can be obtained from outside sources. It is a simple equation. Sometimes products may be produced internally at a loss but they can be sold to someone else in order to earn money. The loss may be only a loss in our terms but the product might be expensive to the buyer.

Mr Jolly—We would have to increase taxes.

Mr B. J. EVANS—The Minister is getting too far into economic theory and is completely overlooking the practicalities. Running a country is analogous to running one's family. The priorities are the same. First, one must see that the family is fed, clothed, sheltered and protected. Nationally, we should ensure that everyone is also fed, clothed, sheltered and protected. The basic requirements must be first looked after, then once that is established and one is in a position to produce an income—just as any family unit must produce an income from outside in order to achieve the standard of living it desires—it must be earned from outside, if this country is to steadily increase its standard of living.

Sometimes something must be sacrificed internally to help those earning an income from outside. Those checks and balances must be constantly reviewed. A particularly absurd situation has been achieved by the intervention of the Government, which has established so-called arbitration bodies. One should expect the arbitrating body to consider the argument on both sides and then bring down a fair and reasonable decision. Yet, wages have been set without regard to the employer's ability to pay.

Obviously when an employer's ability to employ declines, he must put some employees out of work. One cannot continue to employ people if one's level of income has declined. Recently the country experienced a serious drought that affected the ability of the farming sector to earn. As a result the industry has slumped dramatically. The Treasurer and his Government have put forward financial and economic theories which argue for a system which allows wage earners to share in the prosperity of the country but, in doing so, they have completely ignored the counterbalancing element: The scope for reduction in wages throughout the country when the prosperity of that country declines.

When that happens as a result of a massive drought, for example, that is outside human control, should the community still share all the benefits that the country has to offer, yet be immune to the disadvantages? If there are advantages in being an Australian, should there be no disadvantages? People often want the advantages of living in the city but do not want to cop the disadvantages.

Country people must pay the cost of freeways and the losses of the metropolitan transport system just as people in the city do. Under the Minister's standard, if we develop a system or service which is of benefit to the community, it is a Government business undertaking, but if something is required to overcome shortcomings and difficulties that may arise from an over-concentration of population in one area, the whole community must pay because it is a social service not a business undertaking.

If more people are concentrated in cities, it will lead to more inefficiency, which will be to the detriment and disadvantage of people throughout the State instead of being a method designed to improve social welfare and the living standard of the people for whom the Government is supposed to show concern. The Government has found itself in a vicious circle which will eventually lead to a depressed standard of living

for the majority of people. The whole concept should not be given the imprimatur of authority that it might achieve if the reference is referred to a committee of Parliament.

Mr WILLIAMS (Doncaster)—Usually, I derive enjoyment from the addresses of the honourable member for Gippsland East. To my mind, we have in this place too many erudite lawyers and too many academic economists and not enough bush lawyers and bush economists.

I am all for the thrust of what the honourable member is on about. If he were talking about these wretched dividend taxes, which are an imposition on the workers of this State, he would be talking logic. He, as a good, honest, down-to-earth farmer should realize that it is necessary to obtain the maximum return on one's assets.

That is all that the Opposition is on about in this motion. The Opposition wants this State to earn a target rate of return on its assets, and that does not mean a surplus; nor does it mean that the Opposition wants to slug industry and pensioners, as is happening now. With the accelerating rises in electricity and gas charges, pensioners are turning off their heaters and putting on their overcoats or going to bed early at night to keep warm. That is not the sort of thing I want, and I know that the honourable member for Gippsland East does not want it either.

That is what the Opposition is on about in this motion—effective economics, getting a maximum rate of return for the money that Victorians have invested in the public utilities. It is an enormous sum—$500 million in the Gas and Fuel Corporation, $4000 million in the State Electricity Commission and $3000 million in the Board of Works. An effective rate of return must be achieved. That is why I want this matter to be referred to the Economic and Budget Review Committee.

That committee consists of some of the ablest men in this Parliament. I know that they will make future Ministers, as has happened with members of other committees. I respect their judgment and I want them to examine the whole concept of target real rates of return on public authority assets. Much as I respect what the honourable member for Gippsland East is on about, I deplore the stand he has taken this morning. I, too, am a boy from the bush but one can be too narrow minded and can throw out the baby with the bath water. We are living in the twentieth century and will soon be into the 21st century, and I tell members of the National Party that, if Victoria is to prosper and if the private enterprise system is to survive, the public sector of this State must be run properly.

I am delighted with some of the Government's activities because, in the next Parliament but one—if not the next—people like the honourable member for Balwyn will run our economic and financial system with great effectiveness. This State has been let down because the Liberal Party got into the doldrums and failed to tackle these issues. It will tackle them now, and I want the Economic and Budget Review Committee to come up with answers that will pave the way for Liberal Governments of the future to run this State properly.

Victoria is not the only State that is in this situation. The public utilities in every State are run in a way that is nothing to be proud of.

A sister body in New South Wales, the Public Accounts Committee, has recently conducted an inquiry into the accountability of statutory authorities. That committee called for a study by the leading fixed interest brokers in New South Wales, Dominguez and Barry. That is a much better approach, as I am sure the honourable member for Gippsland East will agree, than asking academic economists who get carried away with their ideas.

I have before me a report that sets out details of the financing of Australia's public utilities and states that the stage is being reached where the AAA borrowing rating of these bodies on international markets is being questioned, and that is a sad state of affairs. As the report says, there are disturbing trends in the growing proportion of offshore financing and imbalances in internal funding and other funding levels as a ratio to gross capital expenditure. Unsatisfactory balance-sheet ratios are all predicaments of a business that is running itself into trouble.

Any good business must have a high level of internal funding. Businesses that keep paying out inordinately high dividends to greedy shareholders always get into trouble. If the Treasurer thinks he is going to be the

modern combination Socialist–capitalist commissar of this State, he had better get it into his head that the way to wreck any enterprise is to hand out the "goodies" before they have been earned. To run a sound business, it is necessary to have a massive ploughing back of assets; there is not much room for handing out "goodies" to the shareholders.

In any event, I do not believe there are shareholders in these utilities. If one has to pay by way of charges, that is forced investment, not voluntary investment. The best form of investment is to put one's money where one's mouth is—not compulsory confiscation of moneys for other people to do with what they want to do.

The report points out that few of Australia's public undertakings measure up, by proper accounting standards. It states that:

> Each dollar of net assets in electricity, gas and the Telecom operations produced in 1981–82 between 17 cents in the $1 of revenue for the HEC (Tas.). . .

What a sad story! The best result was the Gas and Fuel Corporation with 79 cents in the $1 of net assets, and the average return was approximately 40 cents in the $1 of net assets. We must lift the asset earning ratios of our public authorities. There is absolutely no room for denuding these asset earning ratios and passing the cost on to the community.

Australia's industrial companies as a whole in 1982 generated nearly $2 of revenue for each $1 of fixed assets and stocks employed, as compared with 40 cents on each $1 in the public sector. That is a scandalously low return. I remind the honourable member for Gippsland East that that is what the game is all about, and the scandalously low rate of return on assets in the public sector must be upgraded by all the techniques that the Treasurer's advisers can employ.

Mr B. J. Evans—They will have to put up their charges, but will not improve their efficiency.

Mr WILLIAMS—I am not talking about increasing charges but about increasing efficiency. I do not want charges to be increased. I want efficiency to be increased. I am not prepared to put up any longer with inefficient public utilities. It does not matter whether it is the Board of Works, the Gas and Fuel Corporation, the State Electricity Commission or any other utility—they must smarten up their operations.

I trust members of the Cain Government. They mean what they are on about, and I want them to be given a fair go, and that is why I want this principle put before the Economic and Budget Review Committee. Some members of that committee are members of the National Party, and it will do them good to be properly educated in the facts of modern capitalism. Modern free market capitalism does not stand for massive Government subsidies, massive railway losses or massive losses in any sector of the economy.

Naturally the public authorities enjoy the benefits of public guarantees. Their interest rates ought to be lower than the rest of the market. But if one is going to get unsound financial analyses which will raise the concern of borrowers, particularly overseas borrowers, one is only heading for higher interest rates and economic trouble.

I am concerned that Victoria is putting its authorities into some jeopardy with the sources from which their moneys are coming.

For example, in 1981–82 the State Electricity Commission raised 26·3 per cent of its new cash loans in Australia, 10·7 per cent from off-shore loan raising and a massive 32·1 per cent came from other sources—internal resources and so on, at the expense of the consumer. In that same year the Gas and Fuel Corporation raised 33·3 per cent of its requirements in Australia and 9·2 per cent from other sources, and the Melbourne and Metropolitan Board of Works raised 44·9 per cent of its new cash loans in Australia and 9·33 per cent from other sources.

I will be disappointed if the National Party crosses the floor on this motion. The future of the State depends on a close understanding between the National Party and the Liberals in the metropolitan area. In a good family, individual members have to be given the right to do things in their own way. I do not object to the conservatism objections of the younger members of the National Party and I defend the liberal susceptibilities of some members of the Liberal Party. We have to keep close together. Victoria will get nowhere unless it

earns a maximum rate on its assets. I want a maximum return on assets.

Mr JOLLY (Treasurer)—The motion moved by the honourable member for Balwyn indicates that the matter of a dividend payment should be referred to the Economic and Budget Review Committee. He indicates that dividends and the rate of return raising policy are not understood by either the public generally or members of Parliament. I am the first to admit that they are technical matters and are complex but complexity is not unique to have public authorities dividends. In the past, a number of taxation measures were introduced by the previous Government without any explanation.

In introducing the taxation measures in the 1982–83 Budget, including the public authorities contribution and the basis of that payment being a dividend payment from four major business authorities in this State, the Government included a document which gave a detailed outline of what the dividend policy was all about.

The Government provided honourable members and the public generally with more information on this matter. I prepared a supplementary statement which showed that the Government had reassessed the cost of capital to major business authorities in this State and was able to announce a reduction in the target rate of return on investments from 5 per cent in real terms to 4 per cent in real terms.

The reduction in the target rate of return has benefits so far as the future economic performance of the State is concerned because it means, other things being equal, that the rate of increase in charges over time will be at a lower level as a result of reducing the target rate of return from 5 per cent to 4 per cent.

It is also important to distinguish between the rate of return pricing policy which the Government has adopted and the equity payment that is occurring from the four major authorities. It is true that we have introduced the two simultaneously, along with other measures that will assist to improve the financial and economic performance of those public authorities.

Honourable members would be aware that the Government has abolished the sinking funds of those major authorities so that they will not have to adhere to the archaic practices which have occurred throughout this century in this State in respect of those business authorities.

Firstly, let me explain the basis of the rate of return pricing policy that applied to the business authorities referred to at the time of the Budget and alluded to in this motion. The Government has argued that in respect of business authorities it is important for the future of this State, as well as the present position, that a positive real rate of return is earned on those investments. Given that position, it is then necessary to decide what is the appropriate target rate of return because clearly every capital investment in this State has an opportunity cost.

The Government has assessed the position of the State Electricity Commission and the other major authorities in this State and has determined that the real cost of debt capital among those public authorities is of the order of 3 per cent. As indicated at Budget time, it is believed a 5 per cent cost of equity capital is reasonable. That is how the Government arrived at the 4 per cent rate of return pricing policy.

The 5 per cent cost of equity capital is of course significantly below the cost of equity capital that applies in the private sector. Mr Nick Renton from the Life Insurance Federation of Australia has endorsed the concept of rates of return pricing policy but indicates that the cost of equity capital is more closely aligned to 10 per cent than 5 per cent. The Government does not intend to adopt the policy that is being suggested by Mr Renton but has taken a conservative view when assessing the cost of the equity capital.

On this 5 per cent, the Leader of the Opposition seems to imply the Governmt should have a higher cost of equity capital when applying the pricing policy of the State. I assure honourable members that the Government does not intend to apply a higher cost of equity capital. This Government believes in all the circumstances that 5 per cent is reasonable.

As I indicated to the House at the time of introducing the 1982 Budget, Budget Document No. 5 gave a fairly detailed explanation of the concept of the dividend payment from those major authorities. In addition, a detailed report has been prepared and made available to the public. I also indicate that

the Government has established a committee of inquiry into revenue raising and that will of course consider not only the public authorities dividend tax but also the whole range of taxes that apply in the State.

It is clear that it is unnecessary to refer such a matter to a joint Parliamentary committee. Not only is it unnecessary, I do not think it is a desirable course of action to follow. It is the Parliament that makes decisions in all taxation measures. It should in turn reflect the policy of the Government of the day.

It is Government policy to impose a dividend payment on those major organizations, and the amount has been expressed in legislation that has passed this House of Parliament and the other place. I have given honourable members a clear indication that the Public Authorities Dividend Bill will be introduced in the spring sessional period, and, once again, all honourable members will have the opportunity of discussing the concept of the public authorites dividend and the value of the dividend payments from each of those organizations that will be subject to that tax. There will be a wider range of opportunities for honourable members to debate the matter and, I hope, to gain a better understanding of the issue.

The question of what will happen to charges when the dividend payment is introduced has been raised in the debate. I have indicated that the dividend payment is separate from what happens to the level of charges applied to those business authorities. The major factor determining the level of charges in the future will be the application of the rate of return pricing policy. The Government will aim for a real rate of return on investment of 4 per cent. In circumstances where those organizations are earning a real rate of return of less than 4 per cent, clearly a movement towards 4 per cent will result in a higher rate of charges than those contained in the consumer price index.

I have also told the House on a number of occasions that the Government expects the rate of increase in charges will become far more stable than it was under the previous Administration. The best illustration of this point is what has happened to State Electricity Commission charges on previous occasions. Prior to the Cain Government being elected in Victoria there were enormous increases in electricity charges, basically because the previous Government encouraged and supported the commission following a pricing policy based on cash flow. In the long run it was aiming at achieving an internal financing target on its capital investment of 50 per cent. If that pricing policy had continued to be followed, electricity charges would have gone through the roof. It is a most inappropriate target to follow, and I am pleased that the people of Victoria will no longer have to bear the burden of that pricing policy.

The previous Government established an inquiry that considered, amongst other things, the level of charges and made recommendations on electricity charges. This report was known as the Zeidler report and because the pricing policy recommended by Professor Zeidler was based on the same principles that the previous Government adopted in dealing with the State Electricity Commission, an increase of 27 per cent in electricity charges was recommended. The Cain Government assessed that situation and, given the undesirability of that policy and the desirability of applying a rate of return pricing policy, we have been able to keep the increase down to 15 per cent during this financial year. I assure honourable members opposite that the rate of increase in the next financial year will be significantly lower than it was in this financial year, so the rate of return pricing policy is already beginning to have a beneficial effect on the Victorian economy.

One of the major reasons that a heavy increase occurred in the price of electricity under the previous Government was that the economic and financial management of the State was completely ignored. The position at the Loy Yang power station has been mentioned during the debate, but the major reason that the costs of that project have skyrocketed is that there has been no effective project management. That is why the costs have increased to the order of $5000 million. The problems of lack of financial control prior to the Cain Government being elected have been one of the major reasons why the financial performance of the State of Victoria in the past has been disastrous.

The Government will not stand by and let those costs blow out. Reference has been

made in the debate to the fact that the Government expects the State Electricity Commission to conduct its financial and economic management efficiently. For this reason we are imposing targets on the commission to ensure that it will be more efficient in the future and so that the Government and the people of Victoria can evaluate the commission's performance. The application of a rate of return pricing policy and performance targets to the commission and the other organizations implied in the motion will minimize the increases in charges in the future.

I come now to the second aspect of dividend payments. Once a pricing policy has been determined based on a rate of return on investments, it can be decided how the fruits of the investment should be distributed. The previous Government had no policy on how that benefit should be distributed, but the end result of doing nothing was that the equity or net wealth of organizations like the State Electricity Commission escalated rapidly. By that I mean the estimate of the current value of the organization's assets minus the liabilities. That gives a measure of the Government's equity in the organization.

In the past that net equity has been increasing at an enormous rate, so the choice that was before the Government was that once it had decided on a rate of return policy, it could either distribute the benefits of that investment by increasing the equity or net wealth of the organization, or ensure that the people of Victoria obtained the maximum benefit from the investment by making a dividend payment to the Consolidated Fund.

The Government announced in the 1982 Budget that it was more appropriate for the people of Victoria generally to benefit from organizations like the State Electricity Commission than to allow the net wealth of that organization to continue to escalate rapidly. That is the basis on which we have introduced the public authorities dividend tax. It will enable the Government to collect additional revenue without imposing an added burden on Victorians. The Government will ensure that when it assesses the dividend payment to be made in any financial year, it will take into account the financial circumstances of those organizations.

Honourable members should be aware that when it came to assessing the payment for 1982–83, there was detailed consultation between the Department of Management and Budget and the four organizations concerned. That consultation will also occur with respect to the 1983–84 Budget.

In my view, the Government has adopted a wise and equitable course of action to ensure that public authority dividend payments go to the Consolidated Fund rather than to the equity of the organizations concerned. The Government does not support the motion because there is no need for this issue to be referred to a joint Parliamentary committee. The Government has decided that the appropriate policy on the details of calculations of dividend payments is to have detailed consultation between the Department of Management and Budget officials and the relevant organizations that will be paying the dividend. All honourable members will have the opportunity of further debating the principle and the volume of dividend payments in the course of the 1983–84 Budget.

Mr KENNETT (Leader of the Opposition)—In the short time that the Treasurer has left me to address myself to the motion, I should like to say that the more the Treasurer has said, the more it was indicated that the whole principle of this taxation measure needs to be reviewed. There is no doubt in the minds of members of the Opposition that the principle of this form of taxation is, and should be, continually reviewed, and that the review should be undertaken in the manner set out in the motion. So much of what the Treasurer said is absolute poppycock in terms of the reality of the present financial situation of this State.

The Treasurer is prepared, in a highly academic manner, to forget and ignore the reality in terms of pushing forward with these taxes. Two points are fairly significant. The first is that it is not applying to all commercial Government authorities, and the question should be asked why this taxation measure will apply only to some commercial operations and not to others. Obviously, the Treasurer will not answer now—and perhaps he will never answer—but there is good reason for it not to apply to all organizations because, if one applies the policies to organizations such as Vic-Rail, there is no way that those authorities could meet both the real rate of return of 4

per cent and the dividend of 5 per cent without finding themselves in the situation of having an incredible escalation in prices.

The principle of why it applies only to some authorities and not to others needs to be reviewed. Any academic approach to accounting or taxation will work in good times, but in times of recession—and that is the state Victoria is in—it will not. There is a worse economic outlook in this State because of the policies that the Government is trying to introduce, particularly this one relating to a real rate of return and a dividend. These taxes will make it exceedingly difficult for many businesses. I accept that, in times when there is economic activity in the community, it would be easier for the Treasurer to introduce these sorts of measures. I should like to give an example of what will happen to this State if these policies are introduced and achieved, as the Treasurer would like them to be. Alcoa of Australia Ltd is the most important single industry in this State at present, and because there is a perception of the relationship between Alcoa and the Government, what is now being called into question overseas is Victoria's ability to be considered as a long-term investment State.

If the real rate of return of 4 per cent were imposed on a growing cost of production or the building of the Loy Yang power station, difficulties could occur. The initial cost of Loy Yang was estimated at $1·7 billion, which has blown out to something like $5·8 billion because of Labor Party activities and the union movement. The Treasurer claimed that there has been an attempt to introduce effective management. If that is the case, why was not effective management introduced last year? Why is it that only in the past few weeks the Government has decided that it has to take some action in that regard? The Government has put so much into site agreements that it has added to the total cost of the project.

If the Government is now looking for a real rate of return of 4 per cent on Loy Yang, which is obviously what it will do as part of the State Electricity Commission capital, there is no way the commission will ever be able to offer—given the policy of a 5 per cent dividend rate—the attractive energy source, which is Victoria's major asset or be able to get that project going again. The Government's policies are fine academically, but they are ignorant of the circumstances in this State and outside it. The Government will have to accept the responsibility, as will the Treasurer, that if it wishes to proceed in this way without even considering the principle and if it applies the principle only to some authorities, this State will be considered to be one in which no industry can invest a sizeable amount of funds for industry and growth.

The Treasurer says, by interjection, that that is absolute rubbish. That shows his total lack of knowledge or concern. He has developed his whole economic theory academically. He is described by economic journalists as an infantile Treasurer in this State because he talks of theories without application to practical experience. The motion is simply calling on the Treasurer and the Government to go away and consider the principle behind its policy and the implications of applying the principle at this stage. The Treasurer may continue to blame previous Governments for the state of the economy, but, when the last financial year ended, it finished up with a financial surplus of $6 million. In this financial year, it is evident that we have already spent more than we have earned, to the extent of $325 million, and there is no way in blazes that this Treasurer will do anything with this measure but advance the rapid growth of what will lead the State towards bankruptcy.

Mr ROSS-EDWARDS (Leader of the National Party)—Two principles are involved in the motion. The first relates to whether the so-called public authorities should pay a target real rate of return and the second relates to what is the point of referring this matter to the Economic and Budget Review Committee for inquiry. The National Party will certainly question that so far as some instrumentalities are concerned. The National Party believes Parliament is the proper place in which that should be debated and, being a politician of some years standing, I am only too aware that whoever controls the committee will provide the answer the Government wants. It is hard enough coping with that situation in Parliament, let alone in a committee.

At least in the Parliament it is a public debate. We are receiving reports that are influenced too much by outsiders. The one that came in today is a typical example. I

congratulate the honourable member for Balwyn on his concern about the whole concept of public authorities being required to give a rate of return. Certainly I agree that with some instrumentalities, such as the State Bank or the State Insurance Office, one would have no quarrel, but if this principle is applied to the State Electricity Commission, the dividend payments on that rate of return would be a direct tax on the consumers of Victoria.

The SPEAKER (the Hon. C. T. Edmunds)—Order! The honourable member may continue his speech at a later time. Government Business takes precedence at 2 p.m.

The sitting was suspended at 1.1 *p.m. until* 2.4 *p.m.*

REVOCATION AND EXCISION OF CROWN RESERVATIONS BILL (No. 2)

Mr SIMPSON (Minister of Public Works)—I move:

That this Bill be now read a second time.

It provides for excisions to be made from the permanent reservations of eight areas of Crown land. The lands described in parts II to IX of the schedule are more urgently required for purposes other than that for which they are respectively reserved. The details of the excisions are as follows:

SCHEDULE, PART ONE

ITEM 1—PUBLIC PURPOSES RESERVE, PARISH OF COLQUHOUN:

This proposed excision is in respect of an area of 1·012 hectares of land near Lakes Entrance and being portion of Cunninghame Arm which forms part of the Gippsland Lakes. By Order in Council of 23 May 1881 those lakes together with virtually all other significant rivers, streams and lakes in Victoria were permanently reserved for public purposes.

The land to be excised from the reservation is shown hatched on the plan in part II of the schedule. It is that land which by reason of reclamation works effected by the Public Works Department since 1966, using filling from its dredging operations, has increased the size of Bullock Island.

In 1966, that island, then having an area of 8·271 hectares was excised from the 1881 public purposes reserve so that the Lands Department would be in a position to deal with applications for use of the land. Since that time, parts of the island have been set aside for use by the Public Works Department and parts occupied under leases by fishing and boating interests.

In 1980, following an inspection of the uncommitted areas of the island by representatives of the Shire of Tambo, the Ports and Harbors Division of the Public Works Department, the Gippsland Lakes Boating Club, which is an applicant for land on the island, and the Lands Department, a plan for future development of that land was prepared and agreed to by the parties.

That plan provided for the land added to the island by the reclamation works to be used as part of a proposed Public Works Department storage and works area, part of a proposed road, as an addition to an area proposed to be leased to the Gippsland Lakes Boating Club and for re-reservation for public purposes of a 30-metre wide strip from the water-line. As it is proposed that a 30-metre wide strip of land along most of the frontage of the island be reserved for public purposes, it is considered expedient that the additional land to be so reserved be included with that land so that all the frontage land will then be contained within the one reservation.

To enable the 1·012 hectares of land to be used for the purposes recommended in the plan for future development, it is first necessary to excise that land from the 1881 public purposes reserve.

ITEM 2—PUBLIC PURPOSES RESERVE, PARISH OF EILDON:

It is desired that an area of 282 square metres of Crown land, upon which portion of a brick hotel building forming part of the Golden Trout Hotel–Motel has been inadvertently erected, be excised from the permanent reserve for public purposes to the Goulburn River.

As with the previous item, the Goulburn River and its frontage lands were, together with virtually all the significant rivers, streams and lakes in Victoria, permanently reserved for public purposes by Order in Council of 23 May 1881.

The proprietors of the hotel-motel became aware of the encroachment of the building on to the reserve when a survey was effected

in connection with plans for an extension of the motel. It is not considered appropriate to go to the extreme of having the building removed. The proprietors have now sought to purchase the land upon which the hotel building encroaches. In the circumstances, sale of the land would not offend any public interest.

It is necessary to excise the land from the reserve to enable this small area of land to be sold under the provisions of the Land Act to the proprietors of the hotel–motel. The area to be excised and sold has been kept to the minimum, consisting of only the building and sufficient surrounds to satisfy building regulations. It is shown hatched on the plan in part III of the schedule.

The proprietors of the hotel–motel have agreed to pay the full costs of investigation, legislation and survey in addition to the full market value of the land. The Shire of Alexandra is aware of the proposal.

ITEM 3—JANEFIELD COLONY RESERVE, PARISH OF KEELBUNDORA:

The Melbourne and Metropolitan Board of Works desires to use portion of the Janefield colony land as access to the board's proposed Northern Regional Depot complex at Plenty Road, Bundoora. The reserve consists of 309·7 hectares of Crown land permanently reserved for Janefield colony for the treatment of mental patients.

The proposed point of access to the complex from Plenty Road lies at the intersection of Plenty Road and McKimmies Road, which is traffic-controlled. This point of access is the most acceptable one to the Shire of Whittlesea and the Country Roads Board.

The land required for access purposes is situated in the north-west corner of the reserve and has an area of 4667 square metres. Use of that land for the actual road construction will isolate an area of 2540 square metres of land from the remainder of the reserve.

As the proposed access is to be used by the general public, it is desired by the Whittlesea Shire Council that the area required for access be proclaimed as a road.

Excision of the total area of 7207 square metres of land from the reserve is appropriate. The land is shown hatched on the plan in part IV of the schedule.

It is proposed that upon excision, action be taken to proclaim the land required for access as a road under the provisions of the Land Act 1958 and to temporarily reserve the isolated land as a public park and place it under the control of the Melbourne and Metropolitan Board of Works as a committee of management.

The Health Commission of Victoria, the Shire of Whittlesea and the Country Roads Board are all agreeable to the proposed action.

ITEM 4—FAWKNER CREMATORIUM AND MEMORIAL PARK, PARISH OF WILL-WILL-ROOK:

The Country Roads Board desires to use two portions of the Fawkner Crematorium and Memorial Park for a realignment of Boundary Road, Fawkner, which is required to enable improvements to be effected at the Hume Highway, Boundary Road and Queens Parade intersections.

Both portions, having a total area of 957 square metres, form part of land which is permanently reserved as a place for the interment of the dead by virtue of the provisions of the Cemeteries Act 1958. The land to be excised from the reserve is shown hatched on the plan in part V of the schedule.

The present Hume Highway and its intersections with Boundary Road and Queens Parade operate as two "T" intersections, with congestion and delay resulting from motorists intending to turn right out of the highway queuing in the middle of the single pavement. The highway traffic volume exceeds 17 000 vehicles a day at these intersections, with an estimated 10000 vehicles a day on Boundary Road and 7000 vehicles a day in Queens Parade. The proposed realigned intersection will provide for more orderly traffic movements by replacing the two "T" intersections with a cross intersection. There will be better storage for vehicles turning right, and the treatment will provide exclusive lanes for the heavier left turn movements.

Queens Parade will eventually form part of a major east-west urban arterial road connecting Boundary Road and Newlands Road to the east. Boundary Road is already a major east-west arterial road and this realignment will provide higher traffic capacity and safer traffic movement through

the intersection than the present two "T" intersections.

The Health Commission of Victoria and the trustees of the crematorium have agreed to use of the land for road purposes by the Country Roads Board. It has also been agreed that compensation as provided for in the Country Roads Act 1958 shall be provided by the Country Roads Board in two ways.

Firstly, the board is to surrender to the Crown 687 square metres of surplus freehold land acquired by the board in connection with the proposed roadworks. After surrender to the Crown, this land will be reserved as an addition to the cemetery.

Secondly, the board is to reinstate all fences, gates and services along the realigned cemetery reserve boundary at no cost to the trustees of the crematorium or the Health Commission of Victoria. The City of Broadmeadows is aware of the proposal.

ITEM 5—PUBLIC RECREATION RESERVE, PARISH OF GEMBROOK:

Excision of two portions of land having a total area of 2856 square metres from this public recreation reserve is desired to enable the Shire of Pakenham to effect roadworks thereon in connection with its proposal to improve the alignment of the Healesville–Koo-wee-rup Road and its intersections with the Belgrave–Gembrook Road and McBride Street at Cockatoo.

The reserve, which was formerly freehold land held by the Victorian Railways Board, is controlled by the Lands Department. Portion of that land had been used for the former Ferntree Gully and Gembrook railway. It is expected that the reserve will be required at some time in the future by the Emerald Tourist Railway Board to extend the Puffing Billy line. By the power contained in the Emerald Tourist Railway Act 1977 that board, with that concurrence of the Minister of Lands, may, if it so requests, use the land for the purposes of that Act. Funding for the proposed roadworks is to be substantially derived from the Country Roads Board.

Following consultation between the Country Roads Board and the Emerald Tourist Railway Board, it has been agreed that while roadworks are being effected, the Emerald Tourist Railway Board, for the sake of expediency, will install the railway track, which would form part of any extension of the Puffing Billy line, across the land which will form the realigned road.

Having regard to the proposal to now install the railway track across the road at this location, the Country Roads Board has agreed to reimburse the Emerald Tourist Railway Board for its consultant's fees which are directly attributable to the proposed road alignment and alteration of road levels at the crossing, and to carry out associated earthworks for the regraded railway track necessitated by the alteration of the road levels. The land required for road and to be excised from the reserve is shown hatched on the plan in part VI of the schedule.

ITEMS 6 and 7—STATE RESEARCH FARM RESERVE, PARISHES OF TARNEIT AND DEUTGAM:

An area of 5·223 hectares within the Werribee State Research Farm is required for permanent use by the Melbourne and Metropolitan Board of Works for construction of the proposed Hoppers Crossing pumping station, a major element of the western trunk sewer project.

The land required for the sewerage works consists of portions of two areas of Crown land permanently reserved as sites for a State research farm, the whole of the farm having a total area of some 850 hectares. The land to be excised from the two reserves is shown hatched on the plans in parts VII and VIII of the schedule.

The western trunk sewer project estimated to cost $235 million, is to replace and upgrade the existing main outfall which currently provides the vital link between the Melbourne metropolitan area and the board's sewerage farm at Werribee. The main outfall is some 90 years old, nearing the end of its serviceable life, and is of insufficient capacity. One of the three major shafts of the proposed pumping station will be the principal shaft for the tunnel section of the western trunk sewer.

The Department of Agriculture has agreed to the excisions from the reserves and has also agreed to the temporary use by the Melbourne and Metropolitan Board of Works of other areas of the State Research

Farm Reserve for sewerage works associated with the project. The Shire of Werribee is aware of the proposals.

On excision, the area required for the pumping station will be re-reserved for sewerage purposes and placed under the control of the Melbourne and Metropolitan Board of Works.

ITEM 8—PUBLIC PARK AND GARDENS RESERVE, CITY OF MELBOURNE:

This permanent reserve is part of an area of 95 hectares originally reserved in 1873 as a site for public parks and gardens. The reserve is controlled by the Melbourne City Council as a Committee of Management.

The Ministry for the Arts desires to use the former gardener's residence in Dallas Brooks Drive, South Yarra, on the reserve to establish a contemporary arts centre. The excision of the area occupied by the residence from the reserve is necessary to enable the land to be re-reserved for use as a contemporary arts centre.

The residence is situated in parkland close to the Shrine of Remembrance, the Royal Botanic Gardens and Government House. It was constructed in 1915 for use as a gardener's cottage when the area was part of the Botanic Gardens and a gate allowed access from Dallas Brooks Drive on to Domain Road.

Occupation of the residence by Melbourne City Council staff over the years has provided some security for the adjoining garden service area and depot operated by the council. However, the residence has not been occupied since early 1982.

The garden setting of the residence makes it attractive for the purpose of a contemporary arts centre. Although the enclosed area of the residence and surrounding service area might, by arrangement with the Melbourne City Council, be available for contemporary sculpture exhibitions and other outdoor art forms which require outdoor settings, it is proposed that only that part of the reserve occupied by the building itself, and having an area of 216 square metres, be excised from the reserve and then re-reserved for the purposes of the proposed arts centre.

Upon such re-reservation, a committee of management, to include persons having expertise in the fields of contemporary art or business administration and being persons nominated by the Minister for the Arts, together with a representative from the Melbourne City Council, will be appointed to control and manage the art centre.

The land to be excised is shown hatched on the plan in part IX of the schedule.

The Melbourne City Council is agreeable to the proposal.

I commend the Bill to the House.

On the motion of Mr AUSTIN (Ripon), the debate was adjourned.

It was ordered that the debate be adjourned until Tuesday, June 14.

ANZ EXECUTORS AND TRUSTEE CO. BILL

Mr CAIN (Attorney-General)—I move:

That this Bill be now read a second time.

On Tuesday 31 May, I made a Ministerial statement which detailed the circumstances leading to the collapse of the Trustees Executors and Agency Co. Ltd (TEA). That company is now in liquidation. Consequently, immediate action is required to safeguard the interests of the beneficiaries of the trusts administered by TEA.

The Bill serves that purpose. It will authorize a new trustee company, namely, the ANZ Executors and Trustee Co. (ANZ E & T) to take over as trustee from the failed TEA. In effect, it decants the existing trustee company operations of TEA into a new vehicle, the ANZ E & T Co.

The Bill excludes from the transfer those functions which can be described as the non-trustee or commercial operations of TEA. They are defined in clause 2 (*a*) to (*f*). Those dealings which are the subject of the take-over and which can be characterized as the usual and ordinary operations of a trustee company are defined as "the trustee business of the old trustee" and are referred to in the definition section.

The Trustee Companies Act is amended by clause 5 so as to authorize the ANZ and restricts its shareholding to the Australia and New Zealand Bank or 1000 shares for any other member.

The new trustee company will be required at all times to maintain a reserve liability of $1·4 million in the form of uncalled capital

of issued shares. The existing reserve liability of the old trustee company will continue but will now ensure for the benefit of general creditors.

The heads of agreement entered into go as far as practicable to care for the interests of the staff members of TEA formerly employed in the trustee side of that business. The ANZ E & T proposes to employ them.

The ANZ banking group proposes to use a wholly owned subsidiary to purchase the trustee operations of TEA. The actual purchase price is a flexible sum depending upon the ultimate revenue generated by the business and whether the bank obtains the permission of other States to operate in their jurisdiction. However, in so far as Victoria is concerned, the purchase moneys will provide substantial funds, which may ultimately be applied to satisfy claims by creditors.

The beneficiaries under the trust instruments are not creditors as such and their rights as beneficiaries against the trustee company and its directors are not affected.

I can assure this House that the Bill in no way derogates or takes away the rights available to creditors and beneficiaries against the trustees, TEA, its directors, or officers. It makes available additional funds for any pecuniary loss which may have been occasioned by the incompetent, imperfect or improper discharge or neglect by TEA.

I can assure the House that the receivers and liquidators properly canvassed the market-place, sought, obtained and evaluated offers of purchase before agreeing to the offer put by the ANZ banking group. The offer by the bank is substantially better than any of the other offers received and importantly does more to safeguard the interests of the existing staff of TEA. I have been informed that the former receivers openly advised of the proposed sale of TEA. Either by themselves or their agents, Hill Samuel Australia Ltd, they canvassed trading banks, existing trustee companies, solicitors acting for proposed purchasers and various overseas interests prior to receiving four offers. The Trustee Companies Association was kept informed of these steps and invited to form a consortium to purchase if at all possible. This alternative was not possible.

I cannot say it gives me pleasure to introduce the Bill. TEA was the first of the trustee companies to be incorporated in Victoria.

The events of the past few weeks have shocked and stunned the business community of Victoria and Australia. It is essential now to ensure that those parties most vulnerable are protected to the greatest extent possible.

I thank the Leaders of the other parties who have indicated that they will do their best to make sure the matter receives the attention of this House and another place today. I believe that is in the best interest, pursuant to what has been agreed to by the parties. The measure should be put into effect as speedily as possible in the best interests of those who are affected by the potential loss. I commend the Bill to the House.

The SPEAKER (the Hon. C. T. Edmunds)—I have examined this Bill, and am of the opinion that it is a private Bill.

Mr CAIN (Attorney-General)—By leave, I move:

> That this Bill be dealt with as a public Bill.

The motion was agreed to.

Mr MACLELLAN (Berwick)—The Attorney-General has at last introduced proposed legislation—as the Opposition would have envisaged—to deal with the problems and difficulties of the Trustees Executors and Agency Co. Ltd.

The Opposition believes this sort of action—an action which is long overdue—has allowed the difficulties to go on for too long. I refer to a number of matters the Attorney-General raised in his second-reading speech. The first is that it has apparently been decided by the Government that it is sufficient for the bank to provide $1·4 million worth of uncalled capital as security for the future operations of the trustee company.

The Attorney-General did not indicate that that matter was merely a replacement. He indicated it was a replacement of the existing shareholders' liability—the TEA shareholders' liability—but he did not indicate whether that would be reviewed at a future time and whether that was sufficient—and is sufficient—to reassure those people who entrust their affairs to trustees as it appears that the $1·4 million that the

present shareholders of TEA might have to apply to the benefit of those people who have entrusted their affairs to that trustee company, may not be sufficient.

The Opposition believes $1·4 million, which is simply a replacement of the existing amount, may not, in the years ahead, be regarded as sufficient. The Government could have indicated its view about whether that matter might have to be reviewed.

The other question which needs to be answered—and needs to be answered on the record by the Attorney-General and Premier—concerns the shares the ANZ Bank is acquiring. I have had discussions with the bank, with the receivers and with Hill Samuel Australia Ltd, which is the financial adviser called in by TEA, and, as I understand it, there are some businesses which are being acquired together with the traditional business of TEA. That includes a nominee company which has been apparently the trustee either for debentures or for superannuation—I think it is for debentures. It includes a shareholding which was acquired in the recent past in a trustee company in South Australia.

Honourable members deserve to know and have on public record what assets of the Trustees Executors and Agency Co. Ltd are being transferred by the agreement and by the proposed legislation from the agency to the ANZ Bank.

This is the second occasion in Australia's financial history that the ANZ Bank has shown a tremendous leadership in being willing to come forward to assist in the reconstruction of difficult financial situations. Honourable members will be aware of the difficulties of the Bank of Adelaide and the actions of the ANZ Bank in that area. As the Leader of the National Party interjects, the bank made a lot of money from it. Honourable members should be grateful that the commercial judgment of the bank was as good as it was because it allowed the bank to see what others were apparently not able to—the opportunity to assist without weakening itself.

I am a customer of the ANZ Bank; I do not own shares in the bank, however. The Parliament should express some gratitude that there are business organizations willing to come forward at short notice. If there had been more opportunity, there may have been a different arrangement that may have been of benefit to those who will suffer as a result of the agency's difficulties.

Some beneficiaries of estates will find that their trustee in the future will be the ANZ Bank as provided for in the proposed legislation. Those people, reading in the media tomorrow that the bank has been authorized by the Parliament to take over the operations of the agency, will give a sigh of relief and believe themselves to be in a secure position. It must be made clear to members of the House, the media and the public that a bank is putting those people in no worse a position, that they will be better off. From here on, they will have a competent, reliable and secure trustee administering their affairs. However, if their estate or trust moneys held for them had been reinvested back into the agency operations by the purchase of shares or through an investment back into the agency—in other words, if the agency has, as trustee, used some of the money of their own beneficiaries to reinvest back into that agency's operations—then, although the bank becomes the trustee as a result of the proposed legislation, the beneficiaries are not entirely safe from having some loss associated with the activities of their former trustees.

There is no guarantee that every beneficiary whose affairs are to be administered by the bank will be able to recover from the company the full trust moneys that may have been administered by the former trustee. That should be clarified by the Attorney-General because there will be people in the community who will otherwise believe that, because the bank is taking over, all is well with their affairs.

It is as if one trustee sells the administration of the estates to a new trustee and then it is found that the old trustee has somehow misjudged, misplaced or badly invested some of the trust moneys. The people involved may find that they will be saying to the new trustee, "where is my money?" and the new trustee will say, "your former trustee diddled you and you will be left with a slight loss on that."

No one is suggesting that all the funds are at risk. The order of risk appears to be, from press reports, about $11 million. There may be a recovery in respect of that. A return of $10 million may occur and, therefore, a loss of only $1 million may ensue. However,

that loss may necessarily be shared amongst those few estates where the agency has exercised its trustees' discretions to invest trust funds held by those people in the agency organization.

That needs to be made clear because I do not want people to believe that this Bill cures all the problems. It does not. Those beneficiaries will see their new trustee paying a sum of money—not disclosed in the second-reading speech or in the Bill—in the nature of goodwill for the business of what was formerly the Trustees Executors and Agency Co. Ltd. It is as if a solicitor sells his practice to another solicitor and the new solicitor is advising clients, "I am afraid the old solicitor somehow misjudged the investment of some of your money, but you must take up that matter with him." At the same time, the beneficiaries will say, "You gave money to him, why did you not keep some back for me?"

Had more time or care been exercised, it may have been possible to legitimately arrange for the sale of the goodwill of the agency and the transfer of administration of trusts for a figure of X dollars and then to hold back some of that amount for the beneficiaries who may find themselves in a position where they will lose some of their money. That is not provided for in the Bill or the agreements behind the Bill.

The persons who have invested in the commercial activities of the agency will be better off because of the money paid by the bank. Those few beneficiaries whose funds have been invested back into the agency's activities will also be marginally better off for the payment of that amount. However, they will be sharing it with other people who made decisions of their own free will, whereas some of those beneficiaries would not have made decisions at all. In other words, if my grandfather's estate had been left to the administration of the agency with a wide range of powers, and the trustees had exercised those powers and invested my trust funds in the agency's operations in the purchase of shares in some of the common funds of the agency, I, as an infant beneficiary, may have had nothing to do with that decision. I could find that my new trustee will carefully tell me, "I am sorry, but some of the funds left to you by your grandfather have been mistakenly invested and lost in the activities of the former trustees".

That is a problem that the second-reading speech does not address. It does not address the moral problem of legislation authorizing the ANZ Bank to pay a goodwill figure to the agency that will assist the shareholders who will be liable for the $1·4 million that they must contribute towards people who have invested and whose moneys have been misjudged and perhaps left out of securities which proved to be not sufficient. A number of people will be sharing some of the goodwill together with some of those beneficiaries who have no opportunity of saving themselves.

Those people did not choose TEA. It could be said with sophisticated arguments that they did not choose to go to the Supreme Court to ask to get rid of the agency in favour of some other trustee, which the Murdoch trust has done and to which the Supreme Court has agreed.

If a Bill were not presented to Parliament and speedy action were not taken, there may be an avalanche of actions going to the Supreme Court at considerable expense for the appointment of new trustees and the opportunities for the ANZ Bank to assist in re-establishing public confidence in the traditional trustee operations of trustee companies and the trustee relationship would be lost. On balance, the Opposition believes the Bill should be passed now. There is no time to renegotiate this to allow for the earmarking of some of the goodwill consideration being paid by the bank to those beneficiaries to meet their losses.

One has to say that there is a lack of information from the Government and a lack of frankness about the problem that those people will face. Their money was entrusted to trustees years ago. It has been administered by trustees under legislation of this Parliament under the administration of the Attorney-General. One might question how much sympathy one has with shareholders whose company made a loss and where the company declared a profit in March and paid an interim dividend. One would not worry too much about the amount of the dividend because if those shareholders lost as much as that dividend they perhaps should not have had that dividend anyway.

However, I am not talking of those who chose to get a high rate of interest and who chose the agency because it offered more than the conservative financial institutions

may have been offering to secure lending opportunities. I am talking of people whose money has been tied up in a will, a trust, or an estate for many years and who have not had the administration of it and who have relied utterly on the reputation and backing of the trustee company and the fact that they know that it is created, protected and organized by legislation of this Parliament and legislation for which the Victorian Government is responsible.

There has not been one word by the Premier and Attorney-General on a willingness to guarantee those operations in any way. I presume the Government is about to cop stamp duty in the transfer that occurred when it got its $3 million back. The Government is anxious to protect itself, but it does not appear to have sufficient concern for people who will be told in the fullness of time, after a lot of searching and sorting out of investment records, that some of their money may not be recoverable. One can only guess what percentage of their money might have been lost as a result of those funds being reinvested back into TEA when the agency was the trustee of the organization and of their trust funds.

That does not take away the need for Parliament to deal with the matter expeditiously. I cannot understand why there is such coyness about how much the bank is paying and I urge the Attorney-General, if he has not been authorized to state that amount, to seek that authorization. I have a clear idea of how much it is, but I was given that idea confidentially.

It is not fair for honourable members to be given a Bill to debate without knowing that figure and without reasons being advanced for the figure remaining confidential. The Premier and Attorney-General should seek authorization to make that information known to Parliament. Why else are honourable members being asked to pass the Bill? After all, honourable members are saying by passing this Bill that the traditional trustee business of TEA is to be transferred to a new company which is to be owned by the ANZ Bank.

Why would honourable members be doing that unless they believed there were positive benefits to be obtained from it? What are those positive benefits? They are not the benefits to which the Premier and Attorney-General referred in his second-reading speech, to restore confidence in the trustee operations of the trustee companies and which has to be done by this Government in view of the difficulties of TEA to ensure that everyone in the State knows exactly how safe and secure they are when they place their money with trustees for investment.

It will not be enough for people to say: If it is a solicitor, it is guaranteed through the guarantee fund, and if it is the State Bank, it is guaranteed by the Government. If one chooses those transactions with trustee companies created by legislation, they may not be guaranteed by the Government. I do not know whether the amount of losses involved in the traditional trust fund area is so great that it ought to worry the Government. It may be a small price to pay for the re-establishment of confidence in trustee operations.

After all, if financial institutions are in difficulties, as was the case in South Australia where the Premier of the day, Mr Don Dunstan, went in to bat to ensure that the situation was held and confidence re-established and similarly in New South Wales where that Government had to take action to re-establish confidence and to do so quickly and sharply, quick action is imperative. Victoria has a dithering, do-nothing Government that has done nothing but send directions to the National Companies and Securities Commission and, without waiting for that report, has brought to Parliament a Bill that seeks to provide what it believes is the best answer that can be snuffled out of the situation.

The reasons for passing the Bill are not a re-establishment of confidence because the Government could have acted to do that weeks ago. It is necessary to get a bank into the situation, perhaps, because a bank offers the highest or safest framework for the goodwill which will be used to the benefit of the people who have invested in TEA, shareholders of that company and the beneficiaries whose funds have been used in the agency's operations, which funds might otherwise face a higher loss.

There is a second reason for wishing to pass the Bill. I do not think the motive for passing the Bill is in any way associated with assisting the ANZ Bank to make money. I regard that as being not one of the

motivations for Parliament considering the Bill. Parliament must be concerned with the ordinary investors and beneficiaries who relied on the word "trustee" in the name of the agency and the privilege that the agency had in using that word and who also were beneficiaries of trusts administered by that agency as a result of a privilege given to it by this Parliament.

The only corporations allowed to act as trustees are the corporations which this Parliament authorizes to do so. Therefore, this Parliament must take some responsibility for what happens. As the Minister responsible, the Attorney-General has to stop saying that the Commissioner for Corporate Affairs was concerned but decided not to do anything because she thought there might be a run on the other trustee companies or that it might cause disturbance in the confidence of trustee companies. Honourable members now know what happens when the Commissioner for Corporate Affairs makes a decision not to investigate—a trustee company is in the state of provisional liquidation and Parliament has proposed legislation rushed to it to try to hold the situation while one of the major trading banks is asked to come in and act as big brother to this Government when the Government did not have the courage or guts to be big brother and hold a situation which, in those last few weeks, deteriorated so rapidly.

Beneficiaries have made applications to the Supreme Court asking that TEA be replaced. There is application after application, lined up ready to be heard. One Supreme Court judge has been assigned the task of dealing with the applications.

Every other person appears to treat the matter seriously except the Government. The Attorney-General is too busy writing letters to the former directors of the company saying, "Don't change your financial position", believing that that will help.

It might have been better if the Attorney-General had written to the former directors and said, "Send your passports in. Don't go off overseas". However, for the Attorney-General to send them a letter asking them not to change their financial position is like saying, "There is trouble coming". Heaven knows, if I knew that somebody would be in trouble and I wrote them a letter saying, "Don't change your financial position. Have you thought of having a trip?", that would be regarded as most improper action.

The Attorney-General has written to the directors of the company, which is now in the hands of provisional liquidators, asking them not to change their financial situation. The Attorney-General may as well have included in that letter the statement, "I hope you can read between the lines".

It would be interesting to know what replies the honourable gentleman has received to those letters. History will reveal what replies the Attorney-General received, when those letters are unearthed in 50 years from now at the Public Record Office.

The Bill, when passed, will provide the provisional liquidators with more money to meet the obligations of TEA. It will afford those persons, whose estates will now be administered by the ANZ Executors and Trustee Co. peace of mind to know that their estates are under safe and secure administration.

The Bill will not prevent those people from knowing that they have lost money while their estates were administered by the former trustees. The Bill will not provide additional money in uncalled capital as back-end support for the future operations of the trustee company, which will now be run by ANZ E & T because it will provide only $1·4 million.

The Parliament is being asked to allow another company, as part of a rescue operation, to have the privilege of acting as a corporate trustee and to have the protection of the proposed legislation with the same old, stale and as it turns out in terms of TEA, inadequate backing of $1·4 million.

One could accept that if the Attorney-General said there was no need for it because the bank was big enough and no more guarantee is needed. One could say that in view of one of the major trading banks, that is sufficient, and one should forget about $1·4 million. However, if the $1·4 million is said to be a token replacement of what was the previous obligation of shareholders, I do not understand the reason for it.

There is only one shareholder. I do not understand the reason to maintain a reserve liability of $1·4 million in the form of uncalled capital in issued shares. When one speaks of a major trading bank, one speaks

about the replacement of the former obligation. I do not mean a replacement in the sense that the directors are relieved of their responsibility. They are responsible for $1·4 million and there is a fresh $1·4 million to be provided once the Bill is passed.

I repeat the gratitude of the Opposition to the ANZ Bank for stepping in where the Government has not been willing to do so. The Opposition is justified in criticizing the Attorney-General for his failure to act. The Treasurer gets his $3 million back and almost gloats when he says, "But we have bank-backed bills. We are all right".

The Treasurer did not explain that when the Victorian Development Fund invested $3 million—of which the House was never advised—in TEA the day before the receivers were appointed. The Government obtained security for more than $3 million through bank-backed bills. It not only obtained security for $3 million, but also it obtained security for the interest payable whilst the money was invested. The Government was on a good thing.

The Treasurer will not explain whether the money was invested because the interest paid was high; whether the interest rate paid was higher than other places or whether the money was invested to assist TEA in its difficulties. Those explanations have not been provided, but a clear indication from the Government along those lines would have been more than welcome in the financial world of Melbourne.

There is curiosity about whether or not the $3 million of Government money was invested with the security of bank-backed bills and whether the Government sold those bank-backed bills, collected its interest and merely returned the surplus to TEA whilst other people were left with uncovered losses and amounts to be recovered, whilst the company was placed in the hands of provisional liquidators.

It appears that the little people will lose their money and that the beneficiaries will not be protected fully. The Government has been fiddling and worrying about it and the Attorney-General has written letters to the directors. However, the Government has not taken any firm and effective action to provide help.

Having withdrawn its money and interest from the company, having returned the surplus of the security to TEA and having introduced the Bill, the Government is going to wash its hands of the situation and say that there is nothing it can do.

The Deputy Premier is interjecting because he is sensitive whenever the Attorney-General is referred to. However, what has the Deputy Premier, as a member of Cabinet, done to assist in this matter? Victoria has a part-time Attorney-General, who has a *de facto* to run the office down there.

The SPEAKER (the Hon. C. T. Edmunds)—Order! The honourable member for Berwick will return to the Bill.

Mr MACLELLAN—The Bill has been produced on a red hot midnight press and whipped into the House. The Opposition has been asked to co-operate and pass it.

Mr Fordham—Has the Government acted too quickly, or not quickly enough?

Mr MACLELLAN—These agreements were made some days ago.

The SPEAKER—Order! I am having some difficulty hearing the honourable member for Berwick when he makes asides to the Deputy Premier.

Mr MACLELLAN—The agreements were made some days ago. The Government had not made a public statement of its willingness to assist with legislation in this way until the Bill arrived.

The Government has a sorry and sad record in this matter. The proposed legislation is the best that one can expect from the Government in the circumstances. However, the Government could have produced a better Bill, not if it had delayed introducing one, but if it had applied itself to the matter earlier and devoted more time to it. If the Government had spent more time on the problem earlier, the House would not have been presented with this inadequate Bill, which, when passed, will provide only minimum assistance and take every advantage of the willingness of the ANZ Bank to assist and depreciate the protection that could have been afforded those people who invested in TEA.

Those are the people whom we feel most sorry for in this matter and we should have contempt for a Government that looks after

itself and refuses, and still refuses, to look after the most vulnerable people who are going to lose money in this sad and sorry affair.

The SPEAKER (the Hon. C. T. Edmunds)—Before calling the Leader of the National Party, I inform the House that the sum of $1000 has been paid into the Treasury by way of fees for the Bill as required by Standing Order No. 168. I have a photocopy of the receipt—Treasury of Victoria, Receipt No. 48003.

Mr ROSS-EDWARDS (Leader of the National Party)—This Bill is an amendment to the Trustees Company Act and it has been introduced by the Government as a result of the collapse of the Trustees Executors and Agency Co. Ltd. I make it clear at the outset that the National Party supports the measure. As has been explained by the Premier and the Deputy Leader of the Opposition, speed in the passing of this measure is absolutely essential. If we do that, as the Parliament of Victoria, then we will be doing our part in trying to help a very sorry financial state of affairs that has come upon us.

If the Bill is not passed immediately, trust estates will inevitably disappear from the Trustees Executors and Agency Co. Ltd. It is public knowledge that one very major estate has gone, and there are many applications coming before the court. There are two points at issue; one is, if another company or another trustee does not take over, then the court has no choice but to hand over the estate to someone else. But if there is a reputable, sound owner or new trustee, that will naturally affect the judgment of the court in dealing with the application that will be before it.

The provisional liquidators had the task of finding a public company of standing, a public company of substance and a public company of good reputation, that would have the absolute confidence of the people of Australia, and the ANZ Bank was eventually chosen. It is an ideal company to take over the trustees' responsibilities, which were formerly those of the Trustees Executors and Agency Co. Ltd.

There is a financial obligation on the new shareholding of $1·4 million, which has been referred to by the Deputy Leader of the Opposition. This is in line with the obligation of owners of all shares in trustee companies in Victoria. Although that amount of $1·4 million is an obligation on the present shareholders of TEA, it is likely that that sum of $1·4 million will be called up by the liquidators when the time comes. There is probably no need to put such an obligation on the ANZ Bank, as this is a small amount of money compared with the capital of that bank, but I suggest the Government has no choice because, whatever the circumstances, it must treat all shareholders of trustee companies in the same way. The amount of $1·4 million was obviously not sufficient with the trustee company. It is a token with the ANZ Bank but it is in line with current legislation.

Further legislation must be introduced into this place at an early date to ensure that there will be a tighter restriction on investments by trustee companies in the future and a greater responsibility to report to Government.

I agree with the Government's view that this Bill should go through to cover one matter only, to transfer the responsibility of the trustee company from the Trustees Executors and Agency Co. Ltd to the ANZ Bank and it should not be complicated by any new legislation, binding on either the ANZ Bank or any other trustee company in Victoria. If that were to be done, it would delay this Bill while we debated it. As I said before, it is urgent that this Bill be passed and, therefore, it should be passed as a short simple but very vital piece of legislation.

On speaking to many of the individuals involved with the liquidators, the bankers, the merchant bankers, the representatives of the ANZ Bank, earlier today, I could not help but feel what a sad situation this is. It is an unprecedented event in the trustee field in Australia, and I understand from the Minister of Transport, who is knowledgable about these matters, that it is unprecedented in the Western World. Nevertheless, it is on our doorstep and many people who can ill afford this financial loss will be affected by its collapse.

The Deputy Leader of the Opposition and myself also had discussions with those involved about the fact that the losses will not be shared equally or *pro rata* by the thousands of people who have put money in the Trustees Executors and Agency Co.

Ltd in a variety of different ways. I do not challenge that. Of course, it cannot be shared equally, but the ordinary citizen will be mystified why he or she has lost more in the dollar than someone else. There were different types of funds and investments, and therefore the losses will not be evenly spread.

I am satisfied personally that these liquidators have done everything possible to dispose of the trustee business, which has until now been carried out by the Trustees Executors and Agency Co. Ltd. The liquidators gave adequate opportunity for other trustee companies in Australia, financial institutions and various companies, to show an interest in taking over this asset and to make a financial offer. A great number showed an interest. They were all contacted and asked to make offers; it was eventually narrowed down to two, and then a decision was made that the ANZ Bank would be the successful tenderer.

All things considered, I am satisfied from the efforts of those responsible in finding a buyer and the price that has been paid. I am certain that the best possible buyer has been found from a financial point of view and, under the circumstances, the price paid to me appears fair and reasonable.

I am trying not to bring any discordant note into this debate. I am trying to be co-operative and constructive, and to have the Bill passed as quickly as possible, but there is one point that should be made, and it is that the Attorney-General must take the personal responsibility, from this minute forth, of preparing legislation to change the control of trustee companies by the Parliament of Victoria. He must divest himself from his other responsibility as Premier, and he must give full time attention to the responsibility of Attorney-General. The spotlight is now on him in that position. He must accept that fact and he cannot delegate those duties to anyone else. I will set him a time-table. It is only fair and reasonable for the people of the State that the Attorney-General, today, should give an assurance that the legislation necessary is introduced into this House next Tuesday week.

Discussions should take place next week between the Attorney-General and representatives of the other parties in Parliament. If those discussions take place, Parliament will not need to have a long adjournment on Tuesday week because it will be the last week of this sessional period. It is certainly not my wish to dwell on the point but it has been made briefly and sincerely to the Attorney-General time and again. I call on the Attorney-General to give this serious responsibility his full attention and act forthwith.

Mr BROWN (Westernport)—In his capacity as Attorney-General, the Premier has widely informed the House that he has no pleasure in introducing the Bill, and indeed, had the honourable gentleman been aware of the circumstances prior to the time when he told the House he was aware of them, maybe the action could have been taken earlier and it may not have necessitated the drafting of the Bill. It appeared that other people were aware of the imminent collapse of the Trustees Executors and Agency Co. Ltd. If the Government had taken action in a legislative manner, maybe public confidence could have been held to the extent that the Trustees Executors and Agency Co. Ltd could have traded on.

Honourable members are aware that adequate stand-by funds were available and it would appear that those funds will exceed the total loss that will be sustained. The Opposition agrees that there is no choice other than the measure before the House in relation to securing the position of the remaining structure of TEA.

Indeed, the ANZ Bank—as the Attorney-General informs the House—was the best offer that it had so far received and leaves the House in no other position than to push for a speedy passage of the Bill in order to secure the entire securities that remain.

The Opposition states unreservedly that the Government should have acted earlier. The Attorney-General stated that he was not in a position to be aware of the trouble faced by the agency which, to him, would have required action prior to the date of collapse. By way of interjection, the Attorney-General indicates that that is not so.

As I understood the situation, although the honourable gentleman's department or the honourable gentleman made inquiries, I thought he indicated that he personally was not aware of any situation with the agency that warranted intervention. It is known that there were people who were in a position of knowledge prior to the time

the Attorney-General was informed and who were aware of the company's imminent collapse.

In an earlier debate on the matter, the Attorney-General indicated that there was no requirement by Parliament that Trustees Executors and Agency Co. Ltd had any mandatory responsibility to inform him. That situation cannot be allowed to continue to exist. The fact that a bank of the highest repute will take over TEA will regretfully put this trustee company in a position above other trustee companies in the State. Being bank backed, such as the Australian Guarantee Corporation, the largest finance organization in the nation, it is reasonable to expect that some people may take the view, therefore, that this trustee company may be safer than others. That situation is not necessarily correct. The Leader of the National Party has called on the Attorney-General to indicate that a measure will be enacted to secure the position so that all trustee companies will have equal footing in Victoria. In the opinion of the Opposition, no trustee company should have a commercial advantage over another.

The Opposition commends ANZ for being prepared to take TEA on board at present. Personally I have no doubt it will prove a worth-while and profitable venture for that company in the long term. If anything, I am concerned about how good the takeover may turn out for it. No legislation exists to require that company to act any differently from the agency when it was in former hands.

The Opposition is aware that substantial losses have been sustained by common funds being used in real estate investments on a first mortgage basis. No legislation exists to stop ANZ Executors and Trustees from utilizing funds that will be invested in the new vehicle it is about to acquire. Obviously, the financial strength of the ANZ would be such that no loss would be envisaged and, if a loss does eventuate, it certainly would have the wherewithal to sustain it.

The Opposition will be keen to ensure that the new group is not in a position that will advantage it above other trustee companies in the State. Likewise, the measure in no way overcomes problems that are evident and have resulted in the introduction of the Bill before the House. The Attorney-General has indicated that there has been incompetent management, wild investment practices and outright negligence in the running of TEA.

The Bill simply transfers TEA to another area where obviously the losses are to be incurred. The business of the trust will be transferred to the ANZ Executors and Trustee Co. There has been no alteration to the Acts of Parliament that exist which would place further security on the shoulders of the ANZ's obligation to directors. Honourable members know that TEA borrowed its own clients' money to pursue property development.That is a statement of fact. It withheld its financial situation, not only from shareholders, investors and the public generally, but also from the Government. That position must be rectified and should not be allowed to continue. I am sure the Attorney-General will agree.

What must be established, through what I can only assume is pending legislation, is that securities of trustee companies are total. It is similar to the situation where if solicitors who are acting for one act by default for any reason, they must be identified so that the public is protected. The honourable member for Monash Province in another place, the Honourable James Guest, warned the Government prior to the collapse that there were problems. That point has been covered in articles in the media; he even wrote to the Crown——

The SPEAKER (the Hon. C. T. Edmunds)—Order! Does the honourable member for Westernport consider this to be appropriate to the Bill?

Mr BROWN—Very much, Mr Speaker.

The SPEAKER—I ask the honourable member to direct his remarks to the Bill.

Mr BROWN—Mr Speaker, the Bill in no way addresses the problems that exist at present for possible collapses of trustee companies. The Bill simply transfers the agency's existing assets to another entity.

The SPEAKER—Order! I am aware of that. I ask the honourable member, apart from passing references, to return to the Bill.

Mr BROWN—The Opposition is keen to ensure that, as a result of the Bill, ANZ and any other trustee companies in Victoria are not in a position to do what has been done in allowing the collapse of TEA.

Directors must be brought to book if they have been guilty of negligence.

Members of the Opposition are aware of allegations that the managing director was in a position of having a private company of which he was a shareholder—there were other shareholders—through which investment properties were purchased. That investment company borrowed in the vicinity of $1 million of TEA funds. Indeed, that is a position of conflict and it should not be allowed to continue. The Opposition welcomes the provisions outlined in the Bill but expresses its concern that the Attorney-General does not mention his obligation on behalf of investors in the TEA and other trustee companies.

I referred to standby funds being available and those funds being available to be used to avoid having to introduce the Bill. No doubt that rescue operation could have been mounted if the Attorney-General had moved more quickly. It certainly would have required the appointment of managers along similar lines to those that took place with Crawford and Poulton but not necessarily to the degree that the company would have ended up in liquidation.

The Ministers have obviously been involved with TEA up to the present time. The Attorney-General indicated that he was not in a position to move earlier, but the Minister for Planning was dealing with the company only weeks before and granting permits for development such as the Olderfleet site, an $80 million project. Permission was granted to the Becton Corporation and TEA to develop that site. Decisions such as those contributed to the company dealing in areas outside the traditional role of trustee companies.

The Government should indicate whether the Bill is the final measure and whether, from the time the Bill receives Royal assent, ANZ E&T will be able to trade without legislative control other than that legislative control which presently exists and which has proved to be inadequate to protect the interests of investors.

The Opposition has called for a judicial inquiry and I understand that the Attorney-General has instructed the National Companies and Securities Commission to make the necessary inquiries to establish how much wrongdoing has occurred. Careful investigation is certainly needed. No one would want to see the collapse of another trustee company in Victoria. There is no reason to doubt that other trustee companies will continue to trade profitably for ever more, but obviously the situation must not be left to chance.

An important lesson has been learnt from this incident. The warning bells were ringing. As I understand it, the Attorney-General indicated that he did not hear them. He made inquiries but was given to understand that there was no problem. Very soon thereafter, the company went into liquidation.

That situation cannot be allowed to continue. It is paramount that the Government take steps to ensure—whether as a result of this Bill to transfer TEA to another corporation or whether in reference to the other trustee companies that will continue to trade unabated for ever more—that the law requires an inquiry by the Attorney-General to be given a full, prompt and honest answer.

From information that is in the hands of the Opposition, I can say that the investigation that has already been placed on stream will lead to the laying of serious charges against a number of persons. Indeed, the investigation by the National Companies and Securities Commission may lead the Attorney-General to decide, on that basis alone, that further legislative action is necessary.

The Opposition supports the Bill but regrets the need for it. I hope the necessary lessons have been learned from this saga. The Attorney-General should have been aware of the problems well prior to the date of collapse of the company. Persons other than he who knew of the situation withdrew their money—that is unquestioned; people sold shares—that is unquestioned; the Attorney-General did not even know that a problem existed. That situation must be put right for the future.

I can assure the Attorney-General that the Opposition will facilitate any action as he may see fit to implement in the future.

Mr KENNETT (Leader of the Opposition)—I endorse the remarks of the Deputy Leader of the Opposition and the honourable member for Westernport. There is no doubt that the Bill is in the interests of those who are involved in the trust side of the

operations of TEA. The opposition parties will not oppose the Bill.

The early warning given by the Attorney-General in taking the Leader of the National Party and myself into his confidence yesterday is appreciated. At that time, he indicated that the Bill would be introduced and sought our assistance in ensuring its speedy passage in the interests of all persons associated with the company and with the trusts involved.

That does not, however, remove from the Attorney-General his responsibility for administering legislation for which he has personal responsibility. The preamble of the Bill states:

> And whereas it is expedient in the interests of the effective and efficient administration of the trusts of which the Old Trustee is the trustee and in the interests of public confidence that the business of acting as trustee and all the appointments of the Old Trustee be transferred to the New Trustee economically, quickly and without interference with the administration of those trusts:

By legislation, the Government is attempting to restore public confidence. The very fact that the only way in which public confidence can be restored is through legislative action amounts to a vote of no confidence in the Government of the day. It is a clear indication that the Attorney-General has failed dismally to exercise his responsibilities as the State's top legal officer.

Mr Fordham interjected.

Mr KENNETT—He is responsible for the entire operation of the Act. This matter falls within the Trustee Act and consequently is in the Attorney-General's area of responsibility. It may well be a joke to the Premier and Attorney-General. However, he has introduced a Bill to try to protect the interests of the public but, more importantly, as the Bill states, it has been introduced in the interests of public confidence.

If it is necessary to introduce a Bill to restore public confidence, the community is entitled to ask why. The crux of the matter is that Victoria has a part-time Attorney-General.

The SPEAKER (the Hon. C. T. Edmunds)—Order! I have already ruled that that subject does not form part of the Bill before the House. I ask the honourable member, having made a passing reference to it, to return to the Bill.

Mr KENNETT—I am dealing with the Bill, Sir. I am referring specifically to that part of the Bill which refers to public confidence. Those words are mentioned in the preamble to the Bill that was introduced by the Attorney-General.

The SPEAKER—So far, that is in order.

Mr KENNETT—That is what I am talking about. Why is the Government introducing a Bill to restore public confidence? If it is necessary to introduce this sort of measure to restore public confidence, I make no apology for referring to it.

Opposition members are disappointed, as are people throughout Australia, at the collapse of this company. The reference in the Bill to public confidence is a very damning reference to the Attorney-General's own performance in the matter. One cannot get away from that.

The SPEAKER—Order! I have already ruled on that topic, and the honourable member has now made a second reference to the subject. I ask him to confine his remarks to the substance of the Bill.

Mr KENNETT—Mr Speaker, it is difficult to debate the Bill, given the Attorney-General's responsibility for the area covered by it, if one cannot refer to its contents.

The SPEAKER—Order! The honourable member is in order in referring to the contents of the Bill. However, I am ruling out of order his continual return to the saga of the Attorney-General's work load.

Mr KENNETT—Mr Speaker, I am putting to you that, if there had been more competence in the work of the Attorney-General, the Bill that is now before the House would not have been necessary. That point surely can be argued, given the need for the Bill. In relation to every other Bill, one can argue whether it is worth while or not worth while, and one can argue its justification. It is now a matter of urgency that this Bill be passed, and the question of whether it was necessary is dependent on the performance of the Minister who introduced it.

The SPEAKER—Order! I will rule the honourable member out of order. The Bill is not the vehicle for discussion of the subject that the honourable member is attempting to introduce into his remarks.

Mr KENNETT—So much for the opportunity to fully investigate the rationale behind the proposed legislation.

The House is now in a situation where it has a major piece of proposed legislation and the Opposition is co-operating with the Government to get it through, in the interests of the community, but the House has a ruling from the Chair that it is totally out of order.

Mr A.T. EVANS (Ballarat North)—On a point of order, Mr Speaker, I ask whether a speaker in this House in future will be forbidden to criticize the administration of a department if he wishes. Mr Speaker, is that your ruling?

The SPEAKER (the Hon. C. T. Edmunds)—Order! I cannot predict the future. I advise the honourable member that his point of order is out of order.

Mr KENNETT (Leader of the Opposition)—I thank the honourable member for Ballarat North for his concern in this matter. Let me go further, in terms of the proposed legislation. What the House is talking about and what the Attorney-General is referring to in this measure is based on the Ministerial statement made by him earlier this week. Honourable members are talking about incompetent management, the wild investment practices and outright negligence of the company or officers of the company. Those three accusations or charges against a group of individuals, yet to be proved, may well apply to the Minister who has introduced the proposed legislation.

I make those charges. Victoria has incompetent management of the responsibilities of the Attorney-General in this State and now finds itself in a situation where the proposed legislation has come into being.

I do not know what it takes to impress upon the people that public confidence is a very fragile asset—an asset that can be destroyed in many ways. One way it can be destroyed is by the performance of the management of the company, as accused by the Attorney-General in his Ministerial statement. The Attorney-General had no hesitation in being damning and may very well be proved to be correct in his allegations relating to the performance of members of the company.

On the other hand, public confidence can be maintained, restored, developed or destroyed by the performance of the Minister. There is no doubt that the way in which the Attorney-General conducted himself in the time prior to the collapse of the company—five days before the company went into receivership—put at risk public confidence in the performance of the Attorney-General.

The Bill brings together an assessment of companies that will protect, so far as possible, the beneficiaries of those trusts that are going to form part of the new trustee company. There is no doubt that many of those people will still lose because of the movement of money before the company went into receivership. It is true that those people will not be any worse off as a result of the merger. All those people associated with the company will be better off given the price paid by the ANZ Bank for the trust operations of the company. That is obviously of interest to both the Government and the two parties on this side of the House. That is why honourable members are prepared to accommodate the Government in getting this measure not only through this House but the other place as speedily as possible so that this arrangement can be put into effect. The Opposition makes no apology for its dissatisfaction with the performance of the Attorney-General and still calls for a judicial inquiry into the matter. Even the terms of reference given to the National Companies and Securities Commission are not necessarily going to get the matter resolved as quickly as possible and be able to chase those people who need to be chased.

If this situation is going to be prevented in future, obviously Governments must move quickly to introduce what I would call a disincentive into the system. To date, there has been no real disincentive. The Government, through the Attorney-General, has used words such as "safeguards" and mentioned matters like writing letters. Writing letters and providing safeguards without teeth will not assist those who desperately need confidence in the ability of the Government to protect and develop their interests. The Opposition trusts that as a result of this experience the Attorney-General may come to realize that he needs the opportunity to devote himself full time to either the administration of the area of responsibility from which the proposed legislation has come or to that of the Premiership of this State.

This measure is necessary, is urgent and has support of the Opposition.

Mr CAIN (Attorney-General)—I thank honourable members for their contributions and for their co-operation in ensuring that this Bill gets a speedy passage. Some of the contributions are matters of substance to which I shall endeavour to respond; others, predictably, contained no substance and matters of sheer personal abuse to which I have become used and which are not matters of concern to me.

The question has been raised about the adequacy of the reserve capital of $1·4 million that the ANZ Executors and Trustee Co. will establish. That is not only in line with other Victorian trustee companies, but also it is in line with the provisions of trustee companies throughout Australia. It is the top of the range of uncalled capital required by States for trustee companies.

It is intended that a general review should be conducted of the amounts of reserves and liabilities of trustee companies generally. That review will be undertaken shortly.

A further point was made as to what assets the new company will be acquiring by this purchase. I think the matter was raised by the Deputy Leader of the Opposition. If the honourable member looks closely at the agreement, he will find the full value of all of the tangible assets is transferred—it will be stock and plant at valuation which, on the information I have—the advice he would have received from his consultation today with the liquidators—is estimated to be far better than what would be received from a forced sale.

I made arrangements for members of the opposition parties to confer with the liquidators and the office of the ANZ Bank today. I believe those matters would have been canvassed. I made those arrangements yesterday and advised the Leader of the Opposition that the opposition parties would be contacted, and that was done.

The question of the rights of the existing beneficiaries in regard to TEA was also raised. I make it clear that I believe those rights are not only protected but are also enhanced by the payments made for the goodwill of the trust estates that are to be transferred.

I repeat what I said publicly yesterday—I expect the point has not escaped the Opposition because it has certainly not escaped the Leader of the National Party, who comprehends it—it was necessary that speedy action should be taken to ensure that the goodwill was not dissipated by applications to the courts. It is believed there is benefit to be derived by those beneficiaries for claims in this matter being speedily resolved.

Reference was also made to the terms of the agreement, as if the Government had some responsibility for the contents of those terms. I make it clear that those terms are the subject of agreement between the parties to the agreement—that is to say, the provisional liquidators and the ANZ Bank. The liquidators are officers of the court; they are accountable to and are required to justify their decisions to the court, and they must do that within a reasonably short time.

I repeat that I believe it is still not fully comprehended by members of the Opposition, who in most cases—particularly in the case of the Leader of the Opposition—have wished to distort what has occurred in this matter. The liquidators are appointed by the court and are its officers; they are the people who make the decisions. All the Government is doing—at the request of and with the approbation, and, I might add, the fulsome praise of those who are concerned in this operation, the liquidators and others—is providing the vehicle to give effect to the agreement that the parties have reached. I hope that is clear, even to the Leader of the Opposition, although I doubt that it will ever be so.

The other issue that was raised was as to information that was available to the public about the future prospects of the commercial and other operations of this company. It was not just implied, but asserted by the Deputy Leader of the Opposition and almost *ad nauseam* by the Leader of the Opposition, who is of little significance in the issue, having regard to the way he has behaved, that the Government is in some way privy to information that it is holding back. If the Leader of the Opposition and his deputy and those who conferred with the liquidators today asked the right questions, they would have learned of the difficulty the liquidators have in providing information. They have not been able to

furnish us with information of that kind, nor, I believe, will they be able to do so. To assert continuously that the Government has some hidden information about the prospects of recovery is absurd, and I should have thought that would have been understood by the Opposition.

I say again that the Government has no standing or authority in this matter. The authority is in the hands of the liquidators and they are the people who, when they have information that is reliable and upon which decisions can be based, will provide it to the Government and the public at large.

It was also suggested by the Deputy Leader of the Opposition that there should be an earmarking of the goodwill payment for specific classes of claimants. I was not surprised to hear that suggestion come from the Opposition side of the House, although I was surprised to hear it from the honourable member. I would have expected it from others, but not from him. That would require, as I am sure he realizes, a variation of the rights of creditors under the Companies Code. That can be changed only by consent of the participants who are responsible for the companies and securities scheme. I am sure the Deputy Leader of the Opposition realizes that.

He also referred to stamp duty, as if the Government were profiting mightily from it. The Government is in fact forgoing stamp duty that would have been payable at the expense of the general creditors of TEA—again, a wild assertion made by an Opposition desperate to score political points; unconcerned, almost, about the people who are affected; "mean and carping" is not putting it too highly, as the Deputy Leader of the Government suggests by interjection.

The last thing that the Deputy Leader of the Opposition suggested was that I should exercise my influence to seek consent to disclose the figure that is proposed to be paid for the purchase of these assets. I will talk to the parties concerned about that matter. The figure is one that is contingent upon a number of considerations. It is related to what occurs in other States; however we will endeavour to provide what assistance we can. As the Deputy Leader of the Opposition said, that is a matter of confidentiality at this stage, and I intend to respect that confidentiality.

Probably the most absurd point made by the Deputy Leader of the Opposition is that a Government guarantee should be given in respect of trust operations. If anybody wants a Government guarantee in respect of the operations of a trust, they can seek the services of the Public Trustee. That can be done, and carries a guarantee.

It was also suggested—and the honourable member for Westernport gave this a flick—that there should have been some earlier intervention. So far as I can ascertain—and maybe the Opposition is better informed on this matter than I—no Attorney-General in the past 30 years has set up a special investigation based on rumour, even when the investigation would be likely to bring a company into liquidation and even when the company was not seen as dying or already being dead. I invite the Opposition to examine the record and ascertain whether that assertion is correct.

The last suggestion that was made, and has been made on a number of occasions, is that there should have been a transfer of information from me to some other Minister who was, it is alleged, responsible for investments of the Victorian Development Fund or the Cash Management Account conducted by the State. I have said in this place before, and I say again, that that account is conducted on a commercial basis. The Government will not interfere in the day-to-day management of the account. If otherwise were the case, it would have amounted to insider trading, the conveying of information that was gleaned in one capacity to provide a protection in another capacity. That may have been the standard of conduct of our predecessors in regard to land deals as well as other matters; it is not the standard of this Government.

The Leader of the National Party suggested there should be a time-table for reform. I told him yesterday in the discussions we had that consideration was being given to a number of interim reforms that might be introduced forthwith with this measure, pending further investigation and recommendation by the National Companies and Securities Commission. I have flagged a number of areas where it is suggested that some interim action should perhaps be taken. These will be considered, and I will advise the Leader of the National Party further. I welcome his offer to provide

co-operation and assistance if it is thought that some benefit can be gained by these amendments being introduced earlier.

Lastly, I repeat my thanks to members of both parties for enabling the matter to proceed today. It is common ground that it is desirable for the matter to proceed as quickly as possible, and the Bill should receive a speedy passage through the House.

The motion was agreed to.

The Bill was read a second time and, by leave, the House proceeded to the third reading.

Mr CAIN (Attorney-General)—I move:

That this Bill be now read a third time.

Mr MACLELLAN (Berwick)—The Bill as adopted by the House during the second reading stage provides a preamble which states, *inter alia*:

And whereas it is expedient in the interests of the effective and efficient administration of the trusts of which the Old Trustee is the trustee and in the interests of public confidence that the business of acting as trustee and all the appointments of the Old Trustee be transferred to the New Trustee economically, quickly and without interference with the administration of those trusts:

I do not know whether honourable members could get a better expression of the lack of confidence of this Government and the actions it has taken to date.

The SPEAKER (the Hon. C. T. Edmunds)—Order! The honourable member would realize that he is transgressing the rules relating to the third-reading debate.

The motion was agreed to, and the Bill was read a third time.

ST ANDREW'S HOSPITAL (GUARANTEE) (AMENDMENT) BILL

The SPEAKER (the Hon. C. T. Edmunds) announced the presentation of a message from His Excellency the Governor recommending that an appropriation be made from the Consolidated Fund for the purposes of the St Andrew's Hospital (Guarantee) (Amendment) Bill.

Mr JOLLY (Treasurer), pursuant to Standing Order No. 169, moved for leave to bring in a Bill to amend the St Andrew's Hospital (Guarantee) (Amendment) Act 1978 to make provision with respect to an increase in the sum guaranteed and for other purposes.

The motion was agreed to.

The Bill was brought in and read a first time.

Mr JOLLY (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 MACLELLAN (Berwick)—I know nothing of this matter and have been given no advice about it. It may be that some discussions have been taking place with someone else from the Opposition, but certainly not with me. I propose that under the circumstances, I, as one member of the House, will give leave. I suggest that some discussion should take place between the Treasurer or the Deputy Premier and me with regard to the urgency or the problems that may have occurred. It seems to be a simple matter that messages can be given to the House to assist honourable members.

Mr JOLLY (Treasurer) (*By leave*)—I spoke with the honourable member for Balwyn and the Leader of the National Party on this issue. It is unfortunate that the matter has not been communicated to the honourable member for Berwick, but I shall speak to him on the matter. The urgency of the measure relates to the Government guarantee. The Government has been informed of the need for the St Andrew's Hospital to increase its guarantee and that the existing guarantee of that hospital is not subject to any security. Therefore, the Government has been exposed on that point by the previous Administration.

The motion was agreed to.

ESTATE AGENTS (RECONSTITUTION) BILL

Mr CAIN (Attorney-General)—I move:

That this Bill be now read a second time.

The purpose of the Bill is to implement substantial changes to the structure of the Estate Agents Board. Following concern by the Government of the effectiveness of the operations of the Estate Agents Board, I requested the Public Service Board of Victoria to conduct a management review of the Estate Agents Board. The review was conducted during October and November

1982 and the final report was submitted to me on 6 December 1982.

The review identified a variety of unsatisfactory and inefficient administrative practices. The final report of the Public Service Board states that the Estate Agents Board did not have regard to controls and acted in breach of the provisions of the Estate Agents Act 1980. The board is criticized for having had "insufficient regard for the general requirement to spend funds efficiently". The review report states that "the high cost of consultants, legal assistance, travel and accommodation are difficult to justify".

Consequently, the report lists a number of recommendations which, when fully implemented, will markedly improve the effectiveness of the Estate Agents Board. Some of the recommendations have already been implemented. For example, since early January 1983, a senior officer of the Law Department has been appointed to the board. It is understood that this change in membership has substantially assisted the board in its operation. Further, the Public Service Board has conducted another review of the computer and office systems of the Estate Agents Board.

However, some of the recommendations of the review report require legislation. As a result, the Bill now before the House embodies the more significant aspects of those recommendations.

The Bill provides for the change in the role of the chairman from a full to a part-time role. It creates a new position of chief executive to substitute for the existing secretary to the Estate Agents Board. The chief executive will assume many of the administrative functions which at present lie with the existing chairman. This aspect of the Bill specifically accords with one of the major recommendations of the review report. The report points out that "given the quasi-judicial nature of the board, there is a potential role conflict for the chairman who also has assumed the responsibilities of the Chief Executive". In addition, the Government considers that if the new part-time chairman is removed from the day-to-day administration of the board, the board itself will in turn be more effective.

It is the intention of the Government to advertise the position of the chief executive both within and without the Victorian Public Service as soon as possible. The new part-time chairman will be appointed almost immediately. In relation to the other members of the board, it is envisaged that the membership will remain largely unaltered.

The other major aspect of the Bill is the need for an alteration to section 14 (3) of the Estate Agents Act 1980. Section 14 sets out the criteria to be fulfilled before a person can be granted an estate agent's licence. Sub-section (3) deals with circumstances where a person has not passed any prescribed courses of instruction or examination, has not held a sub-agent's licence during the immediately preceding four years, and, during that period has not been engaged in full-time employment as a sub-agent for at least three years. The sub-section enables the board to grant an estate agent's licence notwithstanding the failure of the applicant to have fulfilled the requirements I have listed. Where such circumstances exist, the board is provided with a discretion under section 14 (3) to grant a licence where "the qualifications and experience held by that person are such as would fit him to hold an estate agent's licence".

However, despite this existing discretionary power, the Estate Agents Board, since its inception, has in some instances adopted in the view of the Government a very narrow interpretation of section 14 (3). As a result, some persons who in the view of the Government are qualified to be granted an estate agent's licence have been refused a licence by the board.

For example, during 1982, the board wrote to approximately 5000 persons inviting them to apply for a licence under section 14 (3), and 400 accepted the invitation. Of that 400, only 60 were deemed eligible or suitable to be permitted to sit for an examination and even then, of that 60, only four persons passed the examination and were granted a licence.

The approach and attitude of the board has recently been the subject of action in the Supreme Court of Victoria under the Administrative Law Act 1978. In the course of giving his decision in that case, the presiding judge criticized the interpretation adopted by the Estate Agents Board of section 14 (3) and listed the criteria that the board should consider before determining

whether or not to grant a licence under the section.

The Government has resolved, therefore, that section 14 (3) should be amended in accordance with the views of the Supreme Court. I foreshadow the intention of the Government to amend the Bill accordingly. The proposed provision would codify the current interpretation to be adopted by the Estate Agents Board when applying its discretionary power under section 14 (3) as enunciated in the Supreme Court.

The Government is aware that the Estate Agents Board and the Real Estate and Stock Institute of Victoria are opposed to any amendment to section 14 (3). However, the Government considers that the proposed amendment will only serve to clarify the true intention of the provision. It will not enable unsuitable persons to obtain estate agents' licences. I point out to honourable members that I have received many representations from members of the House and from the public at large in relation to the interpretation that the Estate Agents Board has adopted towards section 14 (3). The board has been criticized for adopting an uncompromising and arbitrary approach in the application of its discretionary licensing power. Accordingly, the Government believes the amendment will resolve the criticisms that have been levied in this area.

As I already indicated, the Bill deals only with the major aspects of those recommendations of the review report and clarifies the interpretation of the discretionary licensing power of the Estate Agents Board.

The review report was provided to industry organizations, professional bodies, the Estate Agents Board and the Law Institute for comment together with any other submissions concerning desired amendments to the Estate Agents Act 1980. A substantial number of proposed amendments were received. Work on the amendments is almost complete. It is proposed that a draft Bill will be circulated among industry groups and professional bodies for final comment. It is the intention of the Government to introduce a Bill following consultation with appropriate parties in the next session.

In the meantime, it is important that the operations of the Estate Agents Board improve and become more effective. It is necessary, therefore, to enact the Bill now before the House to facilitate the proper effectiveness of the board. The operations of the board to date disclose that unless the board is reconstituted by way of the appointment of a part-time chairman and chief executive, such effectiveness will not be achieved.

Finally, I advise honourable members that copies of the management review report were also provided to the Deputy Leader of the Opposition and the Leader of the National Party some time ago to ensure that both parties were fully informed of the criticisms made of the Estate Agents Board. The report has already been tabled in the Legislative Council. I commend the Bill to the House.

On the motion of Mr MACLELLAN (Berwick), the debate was adjourned.

It was ordered that the debate be adjourned until Tuesday, June 14.

FIRE AUTHORITIES BILL

Mr MATHEWS (Minister for Police and Emergency Services)—I move:

That this Bill be now read a second time.

In doing so, I invite all honourable members to cast their minds back to the tragic events of Ash Wednesday earlier this year. On that day, a conflagration commenced which was to engulf a substantial portion of the State with horrifying speed and devastating results. Called into action to stop the unstoppable were thousands of volunteer and permanent personnel of the State's emergency services; the Country Fire Authority, the Forests Commission, the State Emergency Service, the Police Force, the defence forces and many others.

That they succeeded in checking the initial ferocity of the fires and in eventually extinguishing the last flame within days is a tribute to their expertise, dedication and courage. But the cost was high. Fourteen volunteer fire fighters died in the service of their communities. Another 34 citizens of the State also died and massive destruction and damage was wrought on homes, commercial properties, farms and forests. The environment was devastated in one of the worst disasters ever to be experienced by this State.

Although the causes of the Ash Wednesday fires have yet to be finally determined,

one chilling fact is known. Since the start of this year, 116 bush and grass fires have been deliberately lit and 53 persons have been charged with offences arising from such callous and wanton acts. The problem of the fire-bug is one of great concern to the community and the Government is determined to take strong action to deter the activities of these pyromaniacs.

Existing legislation contains a range of offences dealing with the deliberate lighting of fires in the open air. To strengthen that range, the Bill creates two new offences aimed specifically at the fire-bug and similarly irresponsible people; a summary offence of lighting a fire in the country area of Victoria in such circumstances of extreme weather and dry vegetation that a fire causing a danger to the life or property of others is likely to occur and an indictable offence of lighting a fire in the country area with intent to destroy any vegetation, crop, stock or other property.

To reflect the seriousness with which the Government regards such actions, both offences will attract a mandatory minimum term of imprisonment. The penalty for the summary offence will be imprisonment for not less than three months and not more than two years and for the indictable offence, a minimum term of imprisonment of one year and a maximum term of twenty years.

In the future, any person who perpetrates a deed by fire which leads, or is likely to lead, to the widespread destruction of life and property such as we have experienced this past summer will sorely suffer the consequences of his actions.

The Bill also corrects an anomaly in the Country Fire Authority Act which was brought to light in the aftermath of the Ash Wednesday fires. Registered volunteer members of brigades and casual firefighters are covered by a statutory compensation scheme which provides equivalent benefits to those prescribed in the Workers Compensation Act. However, the coverage available to casual firefighters does not extend to include injuries which may be suffered whilst returning from the scene of a fire. Such a coverage applies to registered firefighters and to registered members of, and casual volunteers engaged by, the State Emergency Service.

It is only right and proper that casual firefighters have the same protection as their fellow volunteers in times of emergency. Accordingly, the Bill entitles casual firefighters to compensation benefits if they are injured whilst returning from the scene of a fire. Benefits will be payable to the dependants of casual firefighters who are killed in such circumstances.

The majority of the provisions in the Bill do not relate to the events of Ash Wednesday and thereafter. Their drafting was well advanced by that time and relate principally to the financial and insurance aspects of the administration of the Metropolitan Fire Brigades Board and the Country Fire Authority. Nor do they relate directly to the current examination of options for the integration of the administration of the two bodies. Rather, they deal with a number of unrelated matters of concern to the brigades and upon which the Government considers that immediate action is warranted.

Honourable members are aware that the operational expenditures of both the board and the authority are funded, in the main, by contributions from the insurance companies in Victoria which insure against fire. In the current financial year, the insurance companies are required to contribute about $52 million to the board and about $24 million to the authority.

The amount to be contributed by an individual company is determined as a proportion of the total premiums received by that company in respect of fire insurance policies in the preceding calendar year. To enable an assessment to be made for this purpose, each company is required to submit a return of premiums to the board or the authority by the end of February. This deadline has proved to be impractical in the past, so the Bill extends the time limit to the end of March.

With contributions of the magnitude required from insurance companies, it is essential that all companies which insure against fire submit a return of premium income for assessment. Current legislation empowers officers of the board and the authority to inspect the records of companies which insure against fire to verify the details contained in returns but there is no power for such officers to inspect the records of companies which do not submit a return

but which are suspected of writing fire insurance policies.

In response to recent criticism of this situation by the Auditor-General, the Bill empowers officers of the board and the authority to inspect the records of any body corporate or unincorporate to determine whether that body is carrying on the business of insurance against fire and thereby required to submit a return of premiums.

Where a property owner insures his property with an insurance company outside Victoria, he is required to contribute 25 per cent of the premium to the board or 20 per cent of the premium to the authority, depending on the location of the property. When these rates were prescribed in 1970, they were greater than those levied on local insurance companies. However, in recent years the percentages of fire insurance premiums required to be contributed to the board and the authority by local insurance companies have increased considerably above the prescribed level set for contributions received from property owners who insure outside Victoria. In the current financial year, the percentages of premiums payable by local insurance companies is 44·5 per cent to the board and 37·6 per cent to the authority.

Instead of acting as an incentive to insure within Victoria, as was originally intended, the contribution rate imposed on non-Victorian insurance policies is now no incentive for property owners in Victoria to insure outside the State to the detriment of the local industry.

In order to correct that situation, the Bill sets the level of contributions to be paid by property owners who insure outside the State at a rate being 1 per cent above the rate payable by Victorian insurance companies from time to time.

The penalty for failure to pay this contribution is also increased from $500 to $1000, plus an amount equal to twice the contribution payable.

The increase in the rates of contributions from the insurance companies in recent years is, of course, a result of the substantial increases in the operating expenses of the brigades. In addition to actually extinguishing fires, both the board and the authority have a major role to play in the prevention of fires. The brigades inspect and report upon plans for new buildings to ensure that adequate measures are provided for the prevention and suppression of fires, inspect premises to ensure that continuing protection against fire is provided and inspect and maintain fire prevention and suppression equipment installed on such premises.

These duties represent a substantial part of the brigades' operations but, apart from a power in the Country Fire Authority Act for the authority to enter into contracts with property owners for the maintenance of fire prevention and suppression equipment, there is no power in the legislation for the brigades to charge for these services.

The Government considers that the users of particular services provided by the brigades should contribute directly to the costs of those services. Accordingly, the Bill empowers the board and the authority to levy prescribed charges for all of their specialized services.

A further cost which is causing concern, particularly to the Metropolitan Fire Brigades Board, arises from the attendance of brigades at premises in response to a false alarm of fire caused by an improperly maintained automatic fire alarm system. The board is also concerned that improperly maintained systems may not operate in an actual emergency.

To enable the brigades to recover the costs of unnecessary turnouts in such circumstances, and to encourage property owners to ensure the proper maintenance of fire alarm systems, the Bill empowers the board and the authority to levy a prescribed charge on the owners of property where a false alarm is caused by an improperly maintained automatic fire alarm system. A right of appeal against a requirement to pay such a charge will lie to a Magistrates Court.

The Bill further provides that such prescribed charges will also apply to persons convicted of wilfully giving a false alarm of fire to the Metropolitan Fire Brigades Board. Such an offence is contained in the Summary Offences Act, which currently empowers a court to order the offender to pay compensation to the board up to a maximum amount prescribed by regulations under that Act. This Bill effects an amendment to empower such charges to be prescribed by regulations under the board's Act as is the case with charges for the same

offence in the country area which are prescribed by regulations under the Country Fire Authority Act.

The Bill also effects three amendments related to the general administration of the legislation. Firstly, members of local advisory committees established under the Country Fire Authority Act will be entitled to receive travelling expenses when attending committee meetings, at the same rates which currently apply to members of regional advisory committees.

Secondly, the Treasurer is empowered to approve of the terms and conditions of loans raised by the board and the authority in lieu of the Governor in Council and to prescribe such terms and conditions by notice in the *Government Gazette* rather than by regulations as at present.

Finally, the Governor in Council is empowered to make regulations under the Metropolitan Fire Brigades Superannuation Act having retrospective application. This power is required for the Government to honour its undertaking to apply proposed amendments to the superannuation scheme from the date upon which agreement on the amendments was reached earlier this year.

The Bill is designed to effect immediate improvements to the administration of the legislation dealing with the board and the authority and to provide a more equitable distribution of the responsibility to contribute to the expenditure of the two fire authorities. As honourable members are aware, the Government is examining further measures by which the administration and methods of funding of the fire authorities can be improved. The results of that examination, and the measures contained in this Bill, will ensure that the Metropolitan Fire Brigades Board and the Country Fire Authority remain at the forefront of fire authorities throughout the world.

I commend the Bill to the House.

On the motion of Mr EBERY (Midlands), the debate was adjourned.

It was ordered that the debate be adjourned until Tuesday, June 14.

PIPELINES (AMENDMENT) BILL (No. 2)

Mr MATHEWS (Minister for Police and Emergency Services)—I move:

That this Bill now be read a second time.

The Pipelines Act 1967 regulates the ownership, location, construction and operation of pipelines. In practice, the Act has been applied mainly to those pipelines conveying hydrocarbons but licences have also been issued for pipelines conveying petrochemicals and industrial gases.

In general terms, the legislation has operated satisfactorily, but experience has shown that it suffers from a number of administrative and procedural shortcomings. The purpose of this Bill is to make a series of amendments to the Pipelines Act to improve and rationalize the administration of the Act.

The package of amendments to the Act consists of:

Amendments to streamline the Act and provide for its more efficient administration, particularly in regard to pipeline permits and licences; and

amendments dealing with the apportionment of Ministerial responsibility for the administration of the Act.

I do not propose to deal with each individual amendment proposed in the Bill, because many are of a machinery or consequential nature. However, I shall give honourable members an outline of the principal measures contained in the Bill.

There is currently no provision in the Pipelines Act for adjusting permits to own and use a pipeline to allow for the interconnection of two or more pipelines. Clause 3 of the Bill inserts new provisions into the Act to provide the Minister responsible for the issue of a pipeline permit with power to consolidate two or more permits with each other or to grant a new permit in substitution for the whole or a part of other permits. This amendment will enable a section of the authorized route of a pipeline to be transferred to or incorporated in another permit so as to facilitate an improved supply of the substance being conveyed. Moreover, where it is seen as necessary for the

purpose of consolidating or varying permits, the Minister may extend the authorized route of the pipeline by not more than 100 metres.

Honourable members will note that the Bill imposes an equal measure of control over this situation as that applying to an initial application for a permit to own and use a pipeline.

For the purposes of the control of pipeline permits and land acquisition, section 6 of the Act defines "Minister" as being, in the case of a hydrocarbon pipeline, the Minister for Minerals and Energy and in the case of a pipeline conveying other products, the Minister responsible for administration of the substance. All other parts of the Act are administered by the Minister for Minerals and Energy.

In the interests of proper co-ordination and administration of the Act, the Minister for Minerals and Energy is to assume overall responsibility for the administration of the Act.

In this respect, clause 2 of the Bill repeals section 6 of the Act. However, to cater for circumstances where another Minister may need to exercise some responsibilities over a particular pipeline permit, clause 10 substitutes a new section 42 and provides, among other things, that the Minister for Minerals and Energy may delegate his powers and functions to another Minister in respect of permits for pipelines carrying products other than hydrocarbons. In practice, however, the Minister for Minerals and Energy will still assume responsibility over pipelines which convey substances such as petrochemicals and industrial gases.

Where the Minister for Minerals and Energy has delegated his powers and functions, consultation between the two Ministers on any matter regarding a pipeline permit will be required as a condition of the delegation, before a decision on the issue of a permit is made.

Section 29 of the Act presently requires the holder of a pipeline construction and operation licence, before commencing construction, to lodge a security of up to $20 000. The purpose of the security was to ensure compliance with the conditions of the permit, the licence, the Act and the regulations and the payment of amounts that may become due for anything arising out of the construction or operation of the pipeline.

It has now been decided that this provision should not be retained because it no longer serves its original purpose. Firstly, the need for the security has been significantly lessened as a result of amendments to section 36 of the Act in 1982. Briefly stated, these amendments empower the Minister for Minerals and Energy to impose such requirements with regard to the modification, reinforcement or protection of a pipeline the Minister considers necessary or expedient in the interests of safety. The purpose of the security is further duplicated in powers contained in the regulations. Secondly, the amount of the security is far less than realistic having regard to the costs now involved in pipeline construction and operation. However, if the security were to be increased and thus enable it to serve its original function, the increase would be of such a magnitude as to be unreasonable as well as placing an onerous responsibility on the licence holder.

The Government therefore sees these two factors as sufficient to remove the requirement to lodge a security. Clause 8 therefore has the effect of repealing that provision.

Clause 9 of the Bill inserts new provisions into section 35 of the Act dealing with the commencement or resumption of the operation of a pipeline. These measures strengthen the present section 35 by providing that a licensee whose pipeline has never been in operation or who otherwise than in accordance with normal operating procedure has completely ceased to operate his pipeline, shall not commence or resume operations until the Minister has given his consent. Moreover, a licensee is to be expressly required to operate his pipeline in accordance with standards specifications and conditions set down in the licence or in regulations.

The Bill makes a number of other amendments to the Act to streamline administrative processes; for example the variation of the non-substantive parts of permits and licences and the transfer of permits and licences. The opportunity has also been taken through this measure to convert all penalties expressed in monetary terms to penalty units as provided for in the Penalties and Sentences Act 1981. I commend the Bill to the House.

On the motion of Mr TEMPLETON (Mentone), the debate was adjourned.

It was ordered that the debate be adjourned until Tuesday, June 14.

INDUSTRIAL RELATIONS (AMENDMENT) BILL

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

Council's amendments:

1. Clause 2, omit this clause.
2. Clause 3, omit this clause.
3. Clause 4, omit this clause.
4. Clause 6, omit this clause.
5. Clause 7, omit this clause.

Mr JOLLY (Treasurer)—I indicate on behalf of the Government that it is prepared to accept the amendments that have been made in the Legislative Council. The Government does so reluctantly because, as honourable members would be aware, the Government went to considerable lengths in this House to amend the clause on notification. The Government reduced the period to fourteen days, excluded small business and made sure that seasonal and temporary work would not be subject to notification procedures.

All honourable members would realize that was a significant modification to the Bill introduced into this House some time ago. The Government considers that the consultative mechanism that would have been built into the proposed legislation would have provided considerable protection to employees. In cases where the Government has had the opportunity of consulting with an employer prior to retrenchments, a significant contribution has been made to both the employer organization and the employee. I refer in particular to International Harvester Australia Ltd and, because of Government involvement, more people were employed in Victoria and the company was able to continue trading, albeit in the hands of receivers.

I am disappointed that the Upper House passed the amendments and completely deleted reference to firms being required to consult with employees before retrenchments took place at that organization. The total Bill has been emasculated, but I refer particularly to clause 4. The proposal from the Upper House is to omit clause 4.

I remind honourable members that this was the provision of the Bill which empowered the conciliation and arbitration boards to make determinations on technological change, unfair dismissals and redundancy. The effect of the amendment from the other place emasculates the powers of the Industrial Relations Commission. The other State and Federal arbitral authorities have these powers.

I remind honourable members that authorities in New South Wales, Queensland, South Australia and Western Australia have the power to make determinations on those issues. The end result of the amendment is that the Industrial Relations Commission and the conciliation and arbitration boards will be impotent in this important area of industrial relations.

I am bitterly disappointed that the Upper House chose to amend the Bill in this way. The reason the Government is prepared to accept the amendments to the Bill is because the remaining clauses make necessary changes that should take place at the Industrial Relations Commission. That applies to ensuring that parties to the dispute are adequately notified and procedures are set down so there is no ambiguity in the legislation.

For the benefit of the Leader of the National Party, I do not accept the role played by the Legislative Council because it has weakened the Industrial Relations Commission in this State compared with its counterparts in other States. I refer particularly to the issues of technological change, unfair dismissals and redundancies.

The relevant industrial relations tribunals in New South Wales, Queensland, South Australia and Western Australia have these powers. Although the Government is prepared, under the circumstances, to accept the amendments because it is desirable to pass other components of the Bill, the Government intends to introduce a Bill which contains the essential features of the Industrial Relations (Amendment) Bill in the next sessional period. The Government considers that the changes are necessary to make sure that the Industrial Relations Commission acts consistently on issues of technological change, unfair dismissals and redundancies. The Government maintains the view that persons facing the prospect of

retrenchment deserve the right of fourteen days' notification through the President of the Industrial Relations Commission so that the various parties involved can discuss the issues and establish a possible way by which the burden on employees can be eased.

In the circumstances I have outlined, the Government is prepared to accept the amendments, but gives notice that it will press ahead with a Bill that will contain the essential features of the Industrial Relations (Amendment) Bill in the next sessional period. Therefore, I move:

That the amendments be agreed to.

Mr RAMSAY (Balwyn)—The Opposition welcomes the Government's pre paredness to agree to the amendments. I do not propose to canvass the reasons for the removal of these clauses from the Bill; those arguments were ventilated in this House when the Bill was originally discussed. The points supporting the removal of the clauses were enunciated and I am sure the Minister recalls the basis on which that argument was launched. It is encouraging to find that the Minister, at this late stage, is prepared to concede that the clauses should be removed.

The Treasurer spoke of the significant modification that the Government will be prepared to introduce in trying to maintain the five clauses that have been removed and referred to the desirability of consultative mechanisms in industrial relations. He cited the example of the help from the Government to overcome some of the difficulties involving International Harvester Australia Ltd. The Government was able to use its offices to moderate that difficult situation.

The Opposition recognizes the importance of consultative mechanisms, but consultation must take place on a fair and equal footing. If one tries to introduce a legislative requirement so people are ordered to consult, problems will be caused. When an element of ordering and direction is included in the consultative process, true consultation breaks down. There must be a freedom to consult to solve problems.

The spirit of consultation is at the basis of the Industrial Relations Act. The Act came from a committee of review comprising employers, unions representing employees, and the Government. None of the parties to that committee were told that they must attend; they were invited to, and attended voluntarily. If the Minister is going to bring forward proposed legislation for the House next session, I urge him to make sure that the measure has been drawn up in the same spirit of co-operation and consultation that underlies the original Act.

The Treasurer referred to the removal of clause 4 from the Bill as though it was taking away from the powers of the board under the Act. I suggest that the honourable gentleman looks closely at section 34 of the principal Act which sets out the powers. A number of specific powers are mentioned and the section states that the board has the power to make an award relating to any industrial matter whatsoever in relation to any trade. The powers are there to determine all matters relating to privileges, rights and duties of employers and employees. That is a broad power.

The Minister now interjects that there was a specific case before the board that did not come under this power on the grounds that it was not an industrial matter. Clause 4 of the Bill placed a responsibility on employers and was couched in terms that were not drawn up in the spirit of consultation and discussion that has been underlying the Act since its origin. In a heavy-handed manner, the Government tried to impose a responsibility on someone in the industrial relations area by using its legislative might. In reconsidering the matter, I urge the Minister to do it with full consultation with all parties that will be affected by the proposed legislation to be put forward at a later date.

Mr ROSS-EDWARDS (Leader of the National Party)—The National Party is pleased that the Government has decided to proceed with the measure, despite the deletion of the five clauses which was brought about by the Opposition parties in another place. If those five clauses had been proceeded with, Victoria would have been in the same dreadful mess as that which occurred in New South Wales.

On behalf of the National Party, and I am sure I will be joined by my Liberal colleagues, I make this offer: If the Minister would like to discuss industrial matters—I know the Government considers itself to be expert on this matter—to try to reach some agreement on the matter, progress could be made in some aspects of the five clauses that have been deleted.

The motion was agreed to.

ADMINISTRATIVE ARRANGEMENTS BILL

The House went into Committee for the further consideration of this Bill.

Discussion was resumed of clause 1 (Short title)

Mr CAIN (Attorney-General)—Some matters were raised in the debate on what I understand to be a fairly simple Bill. It was suggested that there might be possible conflict between functions that might be seen to have a quasi-judicial aspect to them. The Government accepts that there may be certain situations in which it would not be appropriate to transfer functions because of possible conflict. That would occur, as it does at present, because administrative arrangements now are made pursuant to statutes in some cases and in other cases simply by direction of the Government. Therefore, some potential for conflict exists.

Machinery changes have always been made with a view to avoiding such conflict, and that will continue to be the case. It is not something that would be appropriate to cover by legislative safeguard and drafting to address all permutations and combinations. Rather, it is a matter of common sense for the Government of the day, and one cannot do more than that. There are some areas of potential conflict that are obvious and others that are less obvious, and the Government will need to exercise its discretion, as Governments both past and present have done.

The issue of consultation with the Victorian Public Service Association was raised. That had not taken place before yesterday but it has since. The association is aware that the Bill is a machinery measure and that it does not affect the conditions of service of Public Service officers and employees. The Government has always been committed to consultation with the association about machinery changes that may directly or indirectly affect association members.

The Bill defines a department to mean a department of the Public Service. If there is any apprehension about officers and employees being involved in cross movement between traditional Public Service areas and other areas, that ought not to be a matter of concern, because the Bill cannot be used to transfer functional units from departments of the Public Service to other services such as statutory authorities. The Bill will not alter the extent to which officers are subject to the provisions of the Public Service Act.

The Government believes the measure will benefit whichever Government is in office at any time. Its provisions are reflected in similar legislation in New South Wales and at the Federal level. Government generally has the responsibility of so ordering the administrative arrangements to ensure that it works as effectively and as efficiently as possible. The measure provides that capacity.

The Leader of the National Party suggested that there should be some process of informing honourable members of any administrative changes. I agree entirely and I am happy to table information in Parliament or to inform honourable members in some other way that the House considers best to ensure that honourable members are notified as early as possible.

The clause was agreed to.

Clause 2 (Interpretation)

Mr MACLELLAN (Berwick)—The clause provides for the definition of an officer as a permanent head of a department or officer or employee of the Public Service, and therefore justifies my previous remarks on the effect of that definition. The Government has made it clear that there was no consultation with the Victorian Public Service Association and I am glad to have had that confirmation from the Government. It is a great mistake. Obviously some procedural breakdown must have occurred because consultation should have taken place. As a result, I am in the same difficulty now as I was in when progress was reported.

I again spoke to the General Secretary of the Public Service Association and he indicated that there was a meeting between him and some officers of the Public Service Board which I understood was to be scheduled for 3.15 p.m. today. I asked him to telephone me after the meeting and leave a message indicating whether his association would or would not be satisfied with the explanations given at that meeting. It may be that a message has been left for me but I have not got it as I have been in attendance

in the Chamber on other Bills, as honourable members will understand.

The Government has chosen to resume debate on the Bill on the basis that any objections may be dealt with between here and another place or that the Government is satisfied. However, it would be useful for the Opposition and the National Party to assure themselves that the Public Service Association was indeed happy with the arrangements.

One does not have to be terribly clever to consider the ramifications of merging the lands management departments of this State together, or those that are Public Sevice ones, and, indeed, legislation has been passed recently in the public transport area where those functions are being amalgamated. This is an area where there is potential difficulty. I understand that guidelines have been established apart from the formally accepted rules of the Public Service Board in a number of areas but not in this area.

I do not know whether the Attorney-General attended the scheduled meeting this afternoon or whether he has had a message passed to him by an official, but if the association today was given guidelines or invited to work together on guidelines on how these questions can be dealt with when they arise, that would be of great interest.

Mr Ross-Edwards—The Attorney-General did not give any indication of what agreements were made.

Mr MACLELLAN—No, and he did not indicate whether the association was happy with the arrangements. He said that this was a machinery Bill and that the association has been consulted. I do not believe there has been much advance from when progress was reported earlier. If it had not been for the Opposition and the National Party raising the matter, presumably the Bill would have been passed in here and another place and the Public Service would have woken up to it later. The association is a responsible union and it takes a responsible attitude.

There are conflicts involved in putting two sections together. There is the possibility of over-provision of top level management that may have to be considered with a view to early retirements, and so on, and there may be junior officers who are working in the Public Service believing there are ten senior positions whereas those ten senior positions may include five excess positions due to some amalgamation of functions. The Deputy Premier, who is showing signs of distress, may become upset because I wish to discuss this Bill.

I know that it is Thursday. I know that it is approaching the end of the sessional period. I know that there is pressure of time. I know the Government wants fifteen items on the Notice Paper to be dealt with today. However, there are many people in the Victorian Public Service Association who deserve answers. The Opposition cannot be held responsible for the bungling of a Government that has not even bothered to inform the association of the Bill. If the Deputy Premier is upset, he should be upset with the Government and with the Attorney-General for not providing the Committee with the views of the association on the Bill. I am afraid that the answers the Attorney-General has given by interjection do not throw any light on the matter.

The Committee has not yet heard whether there is agreement between the Victorian Public Service Association and the Government on how the Bill will work in respect of administrative action involving public servants. It is well known that, as soon as the Parliament is in recess, there will be a reshuffle of Government functions, and, in all probability, a reshuffle of Ministerial responsibility.

Public servants deserve to be informed about the consequences the Bill will have. The Attorney-General should indicate whether these legitimate concerns will be dealt with.

At this stage, the Opposition will not oppose the Bill. However, the Opposition will reserve its position on the Bill in another place after it has heard from the Victorian Public Service Association on the Bill. The Opposition may even hear about the lack of consultation by the Government on the Bill. I cannot imagine how a Labor Government, which is so busy trumpeting its concern and its success in industrial relations matters, would present a Bill such as this without even having had the good sense to provide a copy of it to the association prior to its introduction or not even have discussed it with the association. Hence, when

the general secretary of the association receives a telephone call from the Deputy Leader of the Opposition to ask him what his opinion is about the proposed legislation, and he replies that he has never heard of it, that produces a vibrant reaction. I can understand the Attorney-General wanting the Bill to come on now, perhaps before that vibrant reaction is passed on.

The Committee has not had a clear statement from the Attorney-General of what the attitude of the association is on the Bill. The Committee has not even had the courtesy of a glimpse of an apology from the Attorney-General for the failure of the Government to consult with the association.

Mr CAIN (Attorney-General)—The position was made clear; if it was not, I shall endeavour to make it clearer. A meeting has taken place between Mr Burgess and officers of the Department of the Premier and Cabinet—there may also have been representatives of the Public Service Board present—at which Mr Burgess indicated that his association approved of the proposed legislation and recognizes that the Bill is purely a machinery measure. It will not affect the conditions of officers and employees of the Public Service.

Most importantly, the Bill recognizes that, whenever there are any changes contemplated, as has been the case and still continues to be the case, prior consultations will be held with the Victorian Public Service Association before those moves take place. That will occur in any area where employees are either directly or indirectly affected by such moves.

Mr ROSS-EDWARDS (Leader of the National Party)—There are two matters I shall speak about, which I have referred to before. Firstly, it appears incredible that the Government should introduce the Bill without conferring with the Victorian Public Service Association. It demonstrates a lack of courtesy towards a union, which is regarded as one of the most responsible unions in Victoria. It is a union which, by the very nature of the work of its members, is close to the Government. Because the union is responsible and does not indulge in strikes and so forth, it is ignored by the Government. The union has done the right thing by the Government, but in turn has been ignored.

Secondly, the Attorney-General demonstrated a lack of feeling and a lack of understanding on the issue. It is to be hoped that the honourable gentleman will not repeat that mistake.

Mr Cain—Copies of the administrative orders will be tabled in Parliament.

Mr ROSS-EDWARDS—I thank the Premier for that assurance.

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

The Bill was reported to the House without amendment, and the report was adopted.

Mr CAIN (Attorney-General)—I move:

That this Bill be now read a third time.

The Leader of the National Party raised the question both during the second-reading debate and in the Committee stage of the way in which members of the Public Service could be either notified or advised about changes that might occur pursuant to the enactment of the Bill.

The Government gives an undertaking to table in Parliament copies of administrative orders which authorize changes pursuant to the Bill.

The motion was agreed to, and the Bill was read a third time.

ORDER OF BUSINESS

Mr FORDHAM (Minister of Education)—I move:

That the consideration of Order of the Day, Government Business, No. 7, be postponed until later this day.

The amendments sought by the Opposition are still being drafted.

Mr MACLELLAN (Berwick)—I thank the Leader of the House for the courtesy of delaying the debate on this Bill. The amendments that are being printed have not yet reached the table, the Clerks or the House.

The motion was agreed to.

GRAIN ELEVATORS (AMENDMENT) BILL

The debate (adjourned from May 27) on the motion of Mr Wilkes (Minister for Local Government) for the second reading of this Bill was resumed.

Mr McGRATH (Lowan)—The main purpose of this machinery Bill is to increase the borrowing capacity of the Grain Elevators Board. Since the passing of the Grain Elevators Board Act in 1958, the borrowing capacity of the board has been increased. In 1958 its borrowing capacity was $26 million; in 1977 it was increased to $45 million and, now, six years later this Bill will give the Grain Elevators Board the capacity to increase its borrowings to $100 million.

The main reason for this is the consumer price index. The Grain Elevators Board uses various silos and other equipment in the handling of grain, and the cost of the construction of this equipment has increased by 75 per cent in the period 1977 to 1983.

The Grain Elevators Board has grower representation on it and the grower members have full knowledge of the industry's needs. Therefore, the National Party supports the Bill.

The Grain Elevators Board plays an important part in the grain economy of Victoria, and an important part in the industry as it is a major grain handling authority. The only grain of consequence that the board does not handle is lucerne. It handles wheat, oats, barley, and, in the past couple of seasons, it has handled peas.

The 46th Annual Report of the Grain Elevators Board for the year ending 1981–82 indicates that the board moved into a lot of capital works. The previous seasons had been very good in the grain industry, the acreages were being maintained and this resulted in good yields to the farmers. This required the board to upgrade its installations, which were constructed prior to the second world war. One major construction was at Robinvale, where a 13 000 tonne capacity unit was built. It was known as "the lipp". That shows the expansion of wheat acreages in Victoria. A lot of the grain grown in New South Wales is transported over the River Murray to installations of the Grain Elevators Board and is then shipped through Victorian ports. That creates good business for the board and for VicRail. There are buffer areas where the grain grown in New South Wales is handled.

The Grain Elevators Board not only is responsible for silo construction and the upgrading of its installations, but it is playing an important part in the expansion of rail sidings adjacent to the installations and in the upgrading of loop lines alongside their installations. This gives the rail wagons a better loading capacity.

Another important aspect is in the weighbridge area. In the year 1981–82, fourteen new electronic 60 tonne capacity weighbridges were installed at various places. One of those installations was erected in my home town of Minyip. They are a more convenient weighbridge and they can take a load capacity of 60 tonnes. There is no double weighing, as used to be the case on the small weighbridges alongside the Grain Elevator Board's installations.

As I said, this is a machinery Bill that increases the borrowing capacity of the board to $100 million. I have spoken to grower members of the Grain Elevators Board and they are in agreement with this measure. I daresay that the recommendation for this Bill came from the Grain Elevators Board, through the Treasurer, and it is pleasing that the Treasurer has acted on the wishes of the board.

Mr AUSTIN (Ripon)—This Bill increases the borrowing powers of the Grain Elevators Board from the current $45 million to a top limit of $100 million. Although this may seem to be an excessive increase, there are very sound and good reasons for it. In fact it was the previous Liberal Government that made the initial decisions and agreed with the upgrading of the facilities of the Grain Elevators Board. The previous Government put that in motion and this is a continuation of that programme.

The last increase in the borrowing powers of the Grain Elevators Board was back in 1977, six years ago.

Honourable members should consider the change in the purchasing power of money that has taken place in those six years. It has increased by 75 per cent. One would find that between 1977 and 1983 75 per cent would have amounted to approximately $33 million. When considering the programme ahead of the Grain Elevators Board for the next five years, one realizes the extensive repair programmes that are envisaged, as outlined by the honourable member for Lowan.

Many of the facilities were built in 1939 and from that time onwards they were used for a grain industry different from that which we have today. Harvesting was carried out

by smaller headers and smaller tractors, and in many cases we were literally back in the horse and buggy days. The loading weight today has increased tremendously.

I shall give two specific facilities as examples to honourable members and they are the one in Dunolly, which is just outside the electorate that I represent, and the other in Murtoa. In these two large and important centres, there are bulk grain sheds that were built in 1942 as war emergency storages. The bulk shed at Dunolly does not even have a concrete floor.

Many smaller silos are situated throughout the wheat-growing area and are well and truly out of date in their lifting capacities. Many have an 80-tonne an hour lifting capacity, which should be increased to at least 200 tonnes an hour to make them efficient and meet the requirements of the present times.

The throughput measures for lifting need to be upgraded to increase the throughput weight each hour. Having done that, it will become essential to upgrade and increase the size of the unloading hopper. In all cases that would involve ripping out the existing hopper and replacing it with a larger one, which also means installing bigger augers and new belt systems. That is an expensive exercise.

One of the most important things in today's modern grain harvesting operation is to ensure that, in applying increased technology to the farming practice and enlarging the machinery capacity, a blockage does not result at the other end of the road when the farmer reaches the silo and discovers that he must wait for several hours before he can unload. There is nothing more frustrating or inefficient in farming practices than having to wait half a day in a queue when a farmer has been waiting for a day when the weather conditions are suitable for harvesting and he is in a position to unload his now bigger trucks and bulk bins into silos.

Of the $77 million increase in the borrowing powers in the Bill, half will be allocated or spent in the Geelong terminal area and approximately $20 million will be spent at Portland. At Geelong, delays in delivery were brought about by the bulk grain trucks that moved into the unloading zone, then had to shunt out of that area to make way for the next truck.

When the former Government was in office, it, together with the Grain Elevators Board, decided that the correct way was to use the loop system so that trucks could move in and then move forward. I understand that that project is almost completed and the Geelong terminal is almost entirely unloaded by bottom discharging trucks.

The storage system at Geelong has created some problems and that is why such a huge amount of money is required. The shipping method and the loading rate are important when the ship loading rate is 1600 tonnes an hour. The storage system consists of both vertical and horizontal storages which enable a total of approximately 900 000 tonnes to be stored; two-thirds of the storages are horizontal and one-third is vertical.

The loading rate with the horizontal storages is limited to about 400 tonnes an hour. That is out of kilter with the ship loading rate of 1600 tonnes an hour. It is necessary to have a system that allows for a much faster rate of loading. The way to do that is to upgrade the system. Although at present there is one belt from the horizontal system, more belts will be installed. That is an expensive operation which accounts for some of the $77 million.

The electrical system at Geelong was installed in 1939; it was an excellent system at that time but of course does not meet today's needs. Again, a great deal of expense will be involved in further upgrading that system. The estimate received from the Grain Elevators Board for the wheat harvest for this year is some 3 million tonnes, and for barley and oats it will be another 500 000 tonnes. The total grain estimate is 3·5 million tonnes.

It is still too early to make an accurate estimate of the grain harvest after a year such as this because, with an early break and good rains throughout Victoria, one may have expected that figure to have been higher. Some honourable members will realize that a large area to the north-west in the wheat belt is still short of rain and a problem may be faced in Victoria south of the Great Dividing Range; Victoria could experience a wet winter because of the early start and the extensive rains that have fallen so far. Such weather conditions could deplete the harvest in those areas. The estimate will be flexible at this stage.

The total wheat estimate for Victoria was 3 million tonnes, and if honourable members consider the year before last, they will find that an extra 500 000 tonnes came into the Victorian system from New South Wales. Victoria has three spur lines going into New South Wales under the broad guage—5 feet 3 inches—rail system which is part of the operation owned and controlled by the Grain Elevators Board.

I must make a correction to the reference I made to the 500 000 tonnes from New South Wales, which is really from the buffer zone in New South Wales, which we had the year before last. Of course, last year was a drought year and no wheat came from that area, and one could estimate 500 000 tonnes again coming from that area this year. I raise that point because this year New South Wales is expecting a record 7 million tonnes and it is also considering establishing a terminal at Port Kembla. If that happens, the Grain Elevators Board in Victoria would lose access for all time to the wheat produced in the buffer zone.

The matter needs close consideration. If New South Wales installs a terminal at Port Kembla, that may increase handling charges to growers in both New South Wales and Victoria because of the loss of throughput from that area. A working party, chaired by Mr Max Moore-Wilton, the General Manager of the Australian Wheat Board, is investigating that matter; Mr Ian Stoney, the General Manager of the Grain Elevators Board in Victoria, is another member of that working party. I hope the Government and the Minister will be kept aware of what is happening within that working party, of what its decisions are likely to be and, finally, of the decisions it makes. That could prove important to this State.

An Honourable Member—What has that to do with the Bill?

Mr AUSTIN—It is all very much tied up with the Grain Elevators Board; that is what it has to do with the Bill.

The SPEAKER (the Hon. C. T. Edmunds)—Order! Interjections are disorderly and the honourable member should ignore them.

Mr AUSTIN—If the honourable member knew anything about the matter, he would not make such a stupid interjection.

The Opposition supports the Bill and compliments the Government on introducing it and extending the board's powers. In doing so, it is continuing the initiative that was put in train by the former Government.

Mr EBERY (Midlands)—The Bill authorizes increased borrowing powers for the Grain Elevators Board. Over the past few years, allocations to the board for upgrading handling and storage facilities have been increased on a number of occasions as a result of demands from all sections of the industry. The improvement in the efficiency of harvesting equipment has, no doubt, strained the grain handling facilities at every stage. The increased borrowing powers are necessary, even though the increase appears to be substantial.

The matter of determining how much money should be allocated and to which areas poses a problem for the board. In 1980, Victoria had an excellent grain harvest. The average annual harvest in Mitiamo—which is a good grain growing area in the northern part of the electorate I represent—was approximately 6000 tonnes for the ten years prior to 1980. In 1980, its harvest was more than 50 000 tonnes. Given those discrepancies, one can understand the problem that the board has in deciding where to provide satisfactory planning and improved facilities.

A few years ago, legislation was introduced to allow the authorities to borrow money in their own right, and that enabled the board to construct a loop line at Geelong to allow a more rapid turnaround of wheat trains. That avoided the splitting up of trains.

The over-all problem then was the delivery of that extra quantity of grain at Geelong, because facilities there were not quite adequate to handle the larger intake and strain was imposed on the elevator system.

A problem in the Portland area has come to my attention. The Bill will allow funds to be channelled into upgrading the handling system there. Operations are conducted at Portland by the Victorian Railways Board, the Port of Portland Authority and the Grain Elevators Board and, during good seasons, the Port of Portland Authority has the responsibility of sorting and shunting wheat trains and of weighing the grain. The port authority then must get the trucks into position for unloading under the supervision of

the grain handling authority. At times, the port authority will not allow its employees to operate after, say, 5 p.m.

Mr Gavin—What has this to do with the Bill?

The SPEAKER (the Hon. C. T. Edmunds)—Order! I was on the point of asking the honourable member the same question.

Mr EBERY—Funds are being allocated by the Bill to upgrade the grain handling system at that port.

The SPEAKER—I now see the connection.

Mr EBERY—The inefficiency of having trucks in position when they cannot be unloaded is undesirable. I suggest that there be discussions between the Port of Portland Authority, the Grain Elevators Board and VicRail. The railways are affected by the slower turn-around of the trains. I hope the three Ministers who are involved will ensure that the problem is overcome as quickly as possible.

As the honourable member for Ripon has stated, the Opposition supports the Bill and believes it will enable problems in respect of grain handling in Victoria to be overcome.

Mr McKELLAR (Portland)—The people of Portland wish the Bill a speedy passage. We all share in the $77 million that it will make available.

Those funds will enable the Grain Elevators Board at Portland to continue the upgrading of handling facilities and, in turn, will permit the efficient and more economic handling of grain. That is in the interests of grain growers and everyone else who is associated with the grain industry.

Some upgrading has already occurred at the terminal at Portland. The funding under this Bill will enable those projects to be continued over the next few years, thus allowing Portland to handle and service the bigger grain vessels that are now prevalent in the grain trade.

As a result of the drought, no grain was handled by the Portland terminal during the last grain harvest.

I hope the Minister has taken advantage of the drought to upgrade the rolling stock and make sure that it is in first-class condition to handle the grain shipped from Portland to Geelong during the coming harvest. I expect an increased Victorian grain harvest this season because an excellent season is being experienced throughout the grain growing areas. I look forward to the upgrading of the Portland facilities so that the benefits will flow to all parties associated with the grain growing industry.

The motion was agreed to.

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

STAMPS (AMENDMENT) BILL

The debate (adjourned from May 27) on the motion of Mr Jolly (Treasurer) for the second reading of this Bill was resumed.

Mr RAMSAY (Balwyn)—The Bill makes a number of separate amendments to the Stamps Act and the Opposition is not opposing any of them. The amendment of greatest significance to the revenue is that which provides for the introduction of a new system of dealing in marketable securities on the London Stock Exchange, and the collection of stamp duties.

This matter has been of concern to the Government for some time. Securities in London companies trading on the London Stock Exchange have been exempt from stamp duty, although, from a statutory point of view, that duty should have been paid. It appears that a system has been evolved which will enable that duty to be collected using the services of a nominee company in Victoria to hold Australian shares as nominees for traders who deal through the London Stock Exchange.

I commend the Treasurer for devising this method which has been done in conjuction with the stock exchanges concerned. I wish it well. It would be interesting to discover the revenue expected to be derived from this source. The second-reading speech of the Minister indicated that revenue will benefit annually by "some millions of dollars". I wonder if the Treasurer could advise the actual sum involved. The Stamp Duties Office may be the latest export industry for Victoria. It will be earning foreign currency to the tune of some millions of dollars.

The other amendments, although of a widely varying nature, will be significant in

the lives of many Victorians. I refer particularly to the exemption of duty from the transfer of property including the transfer of land between spouses during marriage as well as in the unfortunate circumstances of a marriage breakdown.

From reading the Bill, I understand this exemption has also been extended to all classes of personal property such as shares and motor cars. I am sure this will be a welcome relief to many families where the arrangement of property between spouses is being adjusted from time to time. I am sure the amendment will have the full support of all honourable members.

It will be more appropriate to comment on further amendments during the Committee stage. It will be inevitable that from time to time amendments to the Stamps Act will come forward to bring together a number of unrelated matters. The Opposition supports the Bill.

Mr WILLIAMS (Doncaster)—I support the Bill and am pleased to see that the theorists in the Australian Labor Party are realizing the facts of modern life that this country and the jobs for the workers depend on investment on the London Stock Exchange. It is pleasing that, after all this time, the Labor Government realizes how dependent Australia is on overseas investment. I applaud the Bill which facilitates that investment.

I notice the Bill contains the usual concessions to people who are harmed by stamp duty on normal transactions, particularly those that result from marriage breakdowns and transfers in the contemplation of marriage. I see a lot of young people in the area I represent buying blocks of land in their own right and, on marriage, they have the complication of arranging the transfers. That provision is wise and sound.

I notice the provision to exempt bills of exchange and promissory notes payable on demand. That is a technical clause that can be accepted. I have one grievance about the Bill, because I had hoped for a detailed analysis of the stamp duty collections.

I went to the Papers Room to obtain the taxation report which details collections from land tax and probate and gifts duties. However, the report contained nothing about stamp duty collection. I appeal to the Treasurer and to the bright officers who back him up to tell Parliament more about the collection of stamp duty. I want to see it wiped from workers compensation policies.

One constantly hears employers complaining about added costs including payroll tax. Instead of worrying about vote-catching exercises, I urge the Government to waive stamp duty on workers compensation policies. I support the Bill.

Mr CRABB (Minister of Transport)—On behalf of the Treasurer, I thank honourable members for their contributions and support. In response to the question asked by the honourable member for Balwyn, the anticipated revenue from the Bill is $5 million.

The motion was agreed to.

The Bill was read a second time and committed.

Clauses 1 to 8 were agreed to.

Clause 9 was verbally amended, and, as amended, was adopted, as was the remaining clause.

The Bill was reported to the House with amendments, and passed through its remaining stages.

PUBLIC ACCOUNT (ADVANCES) BILL

The debate (adjourned from May 27) on the motion of Mr Jolly (Treasurer) for the second reading of this Bill was resumed.

Mr RAMSAY (Balwyn)—The Public Account (Advances) Bill is essentially a single purpose Bill to make it possible for the Treasurer to advance from the Consolidated Fund the moneys for particular purposes that will in due course be refunded from the Commonwealth.

In his second-reading speech, the Treasurer explained that a technical problem had arisen recently during the processing of drought fodder assistance from the Commonwealth Government.

Drought fodder assistance is like the tide, it will wait for no man. In times of drought, the need to get fodder supplies through to hungry stock must be done promptly, and if the machinery of Government results in that assistance being delayed, all steps must be taken to remove those delays. A delay occurred because, under the Commonwealth legislation, payments would not flow

to the States for this purpose until such time as the money had been paid out by the State, and so a provision to cover that situation is needed in the Public Account Act to enable this to take place. Therefore, the Government has introduced this single clause Bill.

One matter of concern to the Opposition, when examining the Bill, was addressed by the Treasurer's undertaking in his second-reading speech when he stated:

> There is no intention that this Bill should provide the means of by-passing the Parliament or the normal appropriation procedures. It will apply only to those types of specific purpose payments from the Commonwealth to which I have referred and any such transactions will be fully reported to the Parliament.

I was glad to receive the Treasurer's assurance on those points. It would be a mistake to include in the Public Account Act any provision that could be used, if not by this Treasurer then by some future Treasurer, to bypass the normal appropriation procedures of Parliament and it could conceivably be done without the Parliament being informed.

The Opposition would like to see incorporated in the Bill a suitable clause to ensure there will be no bypassing of the Parliament, so that Parliament is fully and promptly informed and to ensure that the use of this provision shall be restricted to those specific purpose payments that may become necessary from time to time. The Opposition will move an amendment to meet that requirement during the Committee stage. The general intent of the Bill is supported by the Opposition.

The motion was agreed to.

The Bill was read a second time and committed.

Clause 1 was agreed to.

Clause 2 (Payment of moneys to be recouped)

Mr RAMSAY (Balwyn)—I move:

> Clause 2, page 2, at the end of the clause insert the following sub-clause:
>
> " ( ) Where moneys are issued out of the Consolidated Fund or the Works and Services Account pursuant to the provisions of sub-section (3) the Treasurer shall specify the purpose for which the moneys are required to be expended and shall report the issue in writing to both Houses of Parliament within 28 days after the moneys are so issued out or, if Parliament is not then sitting, forthwith after the next meeting of Parliament.".

Clause 2 is the main provision in the Bill to make it possible for the Treasurer to issue out of the Consolidated Fund or the Works and Services Account moneys towards certain expenditure on the understanding that those moneys are going to be flowing from the Commonwealth almost immediately.

As was indicated during the second-reading debate, members of the Opposition believe there should be a qualification to this provision to ensure two things: Firstly, that this mechanism is used only for specific purposes; and, secondly, that when the Treasurer uses this measure the Parliament will be informed.

I hope the Government will accept the amendment. It in no way inhibits or redirects the intent of the Bill, but it does give some support to the stated intention of the Government that it desires to keep Parliament fully informed in this regard. As with all money Bills, it is important that there is a full disclosure of what goes on so that any possibility of misappropriation of funds is removed.

Mr JOLLY (Treasurer)—I shall make some brief comments on the amendment proposed to clause 2 by the honourable member for Balwyn. I indicate that this provision can be used only in respect of money arranged between the Commonwealth of Australia and the State of Victoria. It will always refer specifically to that type of arrangement. The purpose is determined by the Commonwealth Government.

I understand the concern of the honourable member for Balwyn to ensure that the House is fully informed on these matters, and I indicate that they will be fully reported on in the Budget documents. It is a question of timing between what the honourable member is suggesting and what actually occurs.

As I have only just received a copy of the amendment, I give the undertaking that I will discuss the matter with the officers of the Department of Management and Budget when the Bill is between here and another place.

Mr MACLELLAN (Berwick)—In supporting the amendment moved by the honourable member for Balwyn, I indicate that I am concerned about the right of the

Victorian Parliament to determine what shall be done, rather than the Federal Parliament being able to bypass it and exercise powers which it would not have in the ordinary course of events.

One could cite dramatic and offensive examples, such as the Federal Parliament making special grants to the States for the nationalization of a bank, but that is history. I will look at it in terms of a far less controversial issue and speak about the land settlement schemes and soldier settlement farms. In those cases, to avoid paying the current valuation for the land, the Commonwealth made funds available to the State, which used them to acquire farm land at out-of-date valuations, to the disadvantage of the owners, and then split them up for soldier settlement farms. A good cause was, in many instances, abused by a condition attached to the Commonwealth money. The Commonwealth escaped the clear constitutional rules it must obey, which provide that proper compensation must be paid.

I ask the Treasurer to examine this matter in terms of Parliamentary control, not in terms of the convenience or inconvenience of the present system. The Parliament must be concerned with far wider issues than the legitimacy or convenience of the Federal Parliament or the good works of drought fodder relief. If the Federal Parliament appropriated money to the State for a purpose repugnant to the Parliament of the State and in defiance of constitutional inhibitions, legislation such as this would allow the Executive Government of the State to receive or expend money without Parliamentary approval. In other words, the Commonwealth Parliament could achieve something it was not able to achieve directly or which it was constitutionally allowed to do under different circumstances and conditions. I illustrated that point in the case of soldier settlement land where the valuations used were about nine years out of date.

One could also mention an example of a Federal Government, whether right or left, deciding to make money available to the State for a purpose that the State Parliament would not authorize. The Treasurer would then be in a position to spend State money from the Consolidated Fund on the grounds that money would be replaced by a Commonwealth grant, perhaps under section 96 of the Commonwealth Constitution.

It goes far beyond the importance of drought relief. No one would oppose drought relief being provided. However, one must consider what could happen in the hands of a different Government—a Government that decided it did not wish to meet the Parliament and sought to use Executive powers. A Commonwealth Government may give money for some purpose completely repugnant to the State Parliament, and the Treasurer, under pressure from not receiving enough money for the State, would be pushed into a position where, without Parliamentary approval, he spent money on that repugnant purpose.

This matter could well be handled by amendments. It may even be handled by an undertaking, although that applies only to the present Minister. Reference to convenience and good purpose is again twisting a principle. It is not desirable to place stress on the Treasurer's Advance because the Commonwealth insists on the State paying the money first before it is replaced. I would rather see an amendment which said that where a drought occurred, the Treasurer's Advance should be increased automatically by the declaration of a drought.

If it were done in that way, honourable members would know the area and be familiar with the territory, purposes and objectives and there would be no objection.

However, the Bill goes further and the Treasurer, dangerously, has accepted advice to solve a problem in a way that will create a far worse problem, perhaps not for him but for some other Minister or Parliament which will find that the Executive Government has escaped Parliamentary control which may be willing and will be able to make funds available for a purpose on which it could not spend those funds directly. Those funds may be given to compliant States and may bypass State Parliaments and that will produce a result which is far and away different from the contemplation of the Treasurer at present.

I ask the Treasurer to examine the matter very carefully, given that background and the advice I have given him in the context that the Parliament is not concerned about this Minister abusing the proposal and is

not attempting to stifle a reasonable provision on the Treasurer's Advance, and it is not attempting to delay the receipt of money by the State Government for legitimate relief in emergency services.

Therefore, in curing that range of problems, the Treasurer should not go to the extent in this Bill where the possibilities are open for a far wider range of horrors that could come back to haunt future Victorians where there their own Parliament, under their own discipline of voting, is impotent to control a Treasurer who is hell-bent on spending Commonwealth funds which might be appropriated for a purpose not legitimate, in accordance with Commonwealth power and repugnant to the State Parliament.

Mr ROSS-EDWARDS (Leader of the National Party)—I support the sentiments of the honourable member for Balwyn and the Deputy Leader of the Opposition. Some way must be created through amendment whereby Parliament knows what Commonwealth moneys and what State moneys have been spent by the Treasurer either in anticipation of a Commonwealth advance or as a result of it, and an undertaking is not sufficient, as the Deputy Leader of the Opposition has said, because if it were only for the next twelve months or thereabouts, we would be happy to accept the present Treasurer's undertaking, but it is for longer.

The Opposition and the National Party are placed in the difficult position that, unless an amendment is made, we will have to reconsider our positions in the other place. I do not wish to restrict it to the amendment before the Committee. If the Treasurer were to come up with some other way of doing it, I should be prepared to listen as, I am sure, would the two previous speakers.

It would be ridiculous if we had to use a sledge hammer in the other place to crack what is a small but important procedural matter. Being one of the most reasonable Ministers of the Government, I am sure the Treasurer will be co-operative. If not, there could be the ridiculous situation of having an expenditure of $10 million advanced without Parliament knowing about it on the basis that $10 million is coming from the Federal Government.

At some stage, there will be a misunderstanding in a flurry of communication, but if this Chamber knows what is happening, the chaos and confusion will be kept to a minimum. It is a small but important matter and I ask the Treasurer to act on it between here and another place.

Mr RAMSAY (Balwyn)—I thank the Treasurer for his preparedness to consider the amendment—during the passage of the Bill from here to another place. Certainly, the wording of the amendment was not available to him until immediately prior to debate on the Bill and I am happy to accept his undertaking that he will examine this issue. I would be particularly encouraged if, when the Bill is considered in another place, there is a proposal—even as the Leader of the National Party has said, not necessarily the precise wording of the amendment now being proposed but one which would take up these points to be made to the Bill—perhaps even a Government amendment, which would be the ideal solution to the problem.

Mr JOLLY (Treasurer)—I thank honourable members for their contributions. I point out to the Deputy Leader of the Opposition in particular that the Government was very concerned about the trust funds being used as a vehicle for the spending of money without Parliament having any information or control over expenditure. That is one of the reasons for moving into the area. I fully understand and appreciate the points made by the Deputy Leader of the Opposition.

Certainly, I will take up the point made by the honourable member for Balwyn that his amendment be fully considered so that, when the Bill goes to the other place, the Government may take on board the proposal detailed by the honourable member. The suggestion of the Leader of the National Party to determine whether a different amendment should be made that meets the needs of everyone at this stage will be considered.

The amendment was negatived, and the clause was agreed to.

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

MOTOR ACCIDENTS (APPLICATIONS) BILL

The debate (adjourned from May 27) on the motion of Mr Jolly (Treasurer) for the second reading of this Bill was resumed.

Mr RAMSAY (Balwyn)—The Bill was introduced a short time ago, on which occasion the Government indicated that it was intended to complement the changes to the limitation periods for bringing common law actions made by the Limitations of Accidents (Personal Injury Claims) Bill that was passed earlier this session. Essentially, it is increasing the period under which a person can make a claim under the Motor Accidents Act from three years after the accident to six years.

The Opposition supports the measure. It is appropriate that there should be a nexus between the period of time that a person can claim under the Motor Accidents Act and the period of time of a personal injury claim at common law.

It is not clear what impact this will have on the number of claims under the Motor Accidents Act. It is not clear what the impact will be on the amount of money that is paid out by way of compensation to people suffering injury and, as a result, it is not clear what impact it will have on the level of compulsory third-party premiums that are paid by every registered motor vehicle owner in this State.

However, those considerations are really secondary to the prime consideration, which must be at the heart of the Motor Accidents Board, that where a person is unfortunate enough to be injured in a motor accident, access to assistance from the Motor Accidents Board should be available to him. If, for some reason—and it is possible—the onset of an ailment as a result of a motor accident occurs after a period in excess of three years, it is hard to argue that that person should be disqualified from receiving some benefit. The Bill has been examined by the Opposition and it supports the measure.

Mr LIEBERMAN (Benambra)—I should like to briefly and enthusiastically welcome this measure. The Bill brings into line the limitation period that now exists in Victoria with respect to actions for personal injuries and damages arising out of tort. For some time, Victoria has been out of pace with New South Wales in that it has had a three-year limitation within which actions must have been instituted or otherwise they would be statute-bound. Victoria saw fit to change the law to align it with that of New South Wales, which provides for a six-year limitation, and that was a welcome initiative.

The Bill now before the House brings the Motor Accidents Board into the same arena. I am delighted because, as a person who has lived on the border of New South Wales and Victoria and who has practised law in both States, I must say that the horror, suffering and anguish that was occasionally caused, not only to legal practitioners but, more importantly, to the victims of motor accidents, was considerable. They would find that they had to issue a writ within three years, and yet their neighbours in New South Wales had six years in which to do so, and that their actions would be statute-bound if they did not do so within that period. The measure brings into line the limitation period with that of New South Wales. It is welcomed and I commend the Government for introducing it.

The motion was agreed to.

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

LEGAL PROFESSION PRACTICE (SOLICITORS' GUARANTEE FUND) BILL

The debate (adjourned from May 27) on the motion of Mr Cain (Attorney-General) for the second-reading of this Bill was resumed.

Mr MACLELLAN (Berwick)—The Opposition supports the Bill. The advice that the Opposition received from the Law Institute of Victoria suggests that the institute is happy with the measure. Indeed, it negotiated these agreements. I am also advised that not only does it have an agreement with the Westpac Banking Corporation, but also with other banks so that people may look forward to additional funds being made available for legal aid and for the Leo Cussen Institute for Continuing Legal Education being able to continue its programme and good works, the cost of which is met from the interest that is paid.

However, I believe, now that the interest is to be paid on the full range of funds held

in the Solicitors' Guarantee Fund and the solicitors trust accounts, a moral problem has arisen. Before, it was something paid on that part of the trust account which was transferred to the Law Institute of Victoria thereby keeping it away from the sticky fingers of some solicitors. Therefore, the interest could be legitimately considered as something that would not have run to the benefit of the particular beneficiaries or the owners of the money that is held in the trust account. The problem that exists now is that the interest is to be paid on all of the money, but none of it is to go to the people who own the money. I daresay that legal argument has long since been hammered out in the Law Institute at the many meetings at which it was raised, debated and finally resolved that for the public good of legal aid, having better educated and better trained solicitors would perhaps provide more protection for a society than someone receiving interest on the money that is a casual or temporary deposit, or just passing through a solicitor's trust account.

However, the dilemma is arising again in a sense because all the money is to be receiving interest as a result of an agreement with the banks. The banks have over a long period benefitted from the inefficiencies of various transactions. It was obvious that the longer they were delayed, the longer the money would stay in the trust account and the longer the bank had the use of the money without paying interest.

With the less sophisticated system of the past, it would not have allowed for calculations of the fractions of interest which will be necessary to produce a different result for the individual participants in that trust account. Banking has long since become more sophisticated than that and it is now possible to calculate interest on a daily balance and it would be well within the scope of the banking system to produce fractions of interest in respect of the various interests represented in the trust account—although the cost of dividing that among the various mixtures of funds held in the trust account might far exceed the availability of the money.

The Opposition supports the Bill, and hopes that the legal aid services of this State will get a quick and substantial boost because, under the guidelines introduced by the Legal Aid Commission, it is obvious that literally hundreds of people are being rejected from receiving assistance from legal aid and are being sent to the voluntary services, particularly those in inner suburban Melbourne. Those voluntary services now have some 30 per cent of the people coming to them from the Legal Aid Commission. That means that those people have gone to the commission in the hope of getting help and legal aid, under stringent guidelines—frankly, I would defy anybody to successfully get through them, and there are a number of quite moralistic attitudes shown in the guidelines as to previous convictions, the state of one's life, one's particular choice of lifestyle and so on—and the commission has sent them to the volunteer agencies. Therefore, it is obvious that the Legal Aid Commission is becoming far more choosy about the people whom it is willing to help and that it is referring more and more people to the Fitzroy, St Kilda and other suburban voluntary services which are being found to have to take up the increasing burden of the applications which would normally have been made to the Legal Aid Commission and, in years past, would have been successful.

There would not be many honourable members who, at some time, have not been visited by a person who has been advised that either he or she was unable to obtain legal aid. It is to be hoped that the additional funds that will be made available as a result of the Bill will improve the legal aid services for those persons who need legal aid.

There would be few persons who seek legal aid merely to pass the time of day. Most persons seek legal aid because they are in distress and do not have the financial resources. Those persons should not be subjected to more legalistic and judgmental guidelines, which imply that if one has been convicted or if one has already used legal aid or if one is in either this circumstance or that circumstance, one cannot qualify for legal aid.

Fortunately there are some persons within the legal aid system who have a heart and soul and who indicate to people that the "somewhere else" is the suburban voluntary practice, which is overwhelmed with referrals and applications. Indeed, as many as 30 per cent of those persons who approach

the suburban voluntary practices have been rejected by legal aid.

The Opposition welcomes the Bill and hopes that it will achieve the results outlined in the explanatory second-reading speech. It is to be hoped that the legal profession will benefit from the Bill by providing improved legal aid services and better trained solicitors.

Mr ROSS-EDWARDS (Leader of the National Party)—The National Party supports the Bill, which is to amend section 53 of the Legal Profession Practice Act. The matter has an interesting history, which dates back 20 years, when not all the moneys in solicitors' general trust accounts earned interest, but those accounts that did, benefited the bank. Indeed, many years ago, I attended a hostile meeting on this issue at the Law Institute of Victoria. The interest that is earned on solicitors' general trust accounts should benefit those persons who use the services of solicitors to strengthen the Solicitors' Guarantee Fund.

It would be an interesting exercise for anyone who wanted to write a thesis for a Doctorate of Philosophy to study the history of solicitors' general trust accounts. It has a varied history. The Bill represents the recognition that the legal profession, the Government and the public have accepted the principle that it is not only the prerogative of the banks to benefit from solicitors' general trust accounts but that those persons who do business with solicitors should also benefit from the interest earned on those accounts. I have been associated with most of the debates that have occurred on the issue over the years. It has taken five steps to reach this stage and, although this is not the end of the line, we are nearly there.

Mr FORDHAM (Minister of Education)—On behalf of the Attorney-General, I thank the Deputy Leader of the Opposition and the Leader of the National Party for their supportive and constructive comments. The Bill is a step forward and the Government looks forward to further consultation and development in this area.

The motion was agreed to.

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

The sitting was suspended at 6.25 *p.m. until* 8.4 *p.m.*

COMMUNITY WELFARE SERVICES (ATTENDANCE CENTRE PERMITS) BILL

The debate (adjourned from May 27) on the motion of Mrs Toner (Minister for Community Welfare Services) for the second reading of this Bill was resumed.

Mr SALTMARSH (Wantirna)—The purposes of this Bill are, firstly, to introduce into the statutes an additional option to enable the Director-General, with the approval of the Minister, to use discretion in dealing with an offender who is imprisoned in default of payment of a fine by allowing him or her, under permit, to serve all or part of that term by attendance at an attendance centre. The second purpose is that programmes will be introduced on an alternative night basis during the week in the existing attendance centres and thereby increase capacity. There will further be an increase in the numbers of attendees provided for by the new legislation which will enable attendance centres and their services to be utilized at maximum efficiency by being in use each week night.

There is irony in the fact that between the delicate language used in the careful wording of the second-reading speech notes and the reality of what is happening today a vast gap exists. The Government is clearly embarrassed by prison overcrowding, despite considerable warnings for some time that about this time in 1983 it was anticipated by all forward projections that there would be severe overcrowding problems in the prison system. The Government is embarrassed because during the past twelve months not 1 cent has been spent on additional attendance centres in this State and not 1 cent has been spent on providing additional bed units within that prison system in Victoria. This is the first year in a decade that that has occurred. Honourable members need to understand why those facts have developed. The simple reason is that the Government in its first Budget reduced real funds to the correctional services capital works area—an actual effective reduction of 10·1 per cent.

The SPEAKER (the Hon. C. T. Edmunds)—Order! I do not wish to interrupt the honourable member in full flight but I should like him to be sure that he is speaking on this particular Bill. It is not a

wide ranging debate on community welfare service responsibilities.

Mr SALTMARSH—I understand that the Bill provides a basis for an alternative sentencing arrangement which is designed, among other things, to reduce the demands on places within prison. It seems therefore that the point I am making is pertinent, if only a passing reference.

The SPEAKER—A passing reference is in order but I ask the honourable member to return to the Bill.

Mr SALTMARSH—The sentencing alternative that has been available to the court for a number of years to deal with minor offences and offenders whose sentences are for not less than one month and not more than three months has been proved to be successful. This is one of the outstanding features in a number of the reforms that have taken place in Victoria in criminology and penology over a number of years in the past. Attendance centres have been an important initiative that the Opposition is delighted to observe that the Government is taking up from the previous Liberal Party Administration and is expanding. The Opposition supports that expansion fully because of the next concern that is incorporated in the new legislation, that because of the continued success of the programme that has now been in operation for some time, it is recognized that we need to go further than the legislation has previously gone and to provide that the Director-General, with the approval of the Minister, is able to use discretion in dealing with an offender who is imprisoned in default of payment of a fine by allowing that person under permit to serve all or part of that term by attendance at an attendance centre.

A number of important issues are involved in the whole area of law, of sentencing and correctional services where we are of course rightly concerned about the well being of people as well as the well being of society. I become extremely angry when I visit the prisons and see young men in particular and occasionally young women who are in prison for a short term of say 7, 10, 14 or 28 days or even one and a half months.

It is inappropriate in society to drastically disrupt people's lives by placing them in prison for a short time. Their livelihood patterns are destroyed, their family relationships are at great risk and nothing useful is served by a short term sentence.

The Opposition supports this move to enable greater discretion to be given to sentencing offenders to attendance centres, especially those persons who would not be imprisoned except for the non-payment of a fine. When young people are out of work it is impossible for them to pay a fine and it is a further disservice and insult to place them in prison. I strongly support this measure.

A problem has been highlighted to me, in the past two days in particular, as the result of the discretion that is given to the Director-General for Community Welfare Services and the Minister in classifying prisoners, and it appears that this discretion may be abused. I understand that as from today, if a person is sentenced to 28 days' imprisonment or less, he will not serve any time in prison because of the overcrowding problems within the prison system.

The SPEAKER (the Hon. C. T. Edmunds)—The honourable member should explain the relevance of this to the Bill.

Mr SALTMARSH—I wish to indicate that, while this Bill is seeking to provide legal options to the director-general, there may be options currently being taken illegally by the director-general. This is a serious problem. A person who is sentenced to 28 days or less, will receive a seven-day remission, fourteen days temporary leave, and can receive a further remission of seven days through a special administrative power of the director-general. That means he can avoid serving that 28 days and be required only to report back to the prison on the twenty-first day. If there is this capacity to sidestep the law, one wonders why there is a need to introduce this Bill.

The morale in the Police Force is extremely low. The police take prisoners to Pentridge Prison, and they see the offenders walking away while they are driving back to their station. The police ask why should they bother to seek to solve crimes, and why should the courts do their work.

The SPEAKER—I do not intend to allow the honourable member to proceed on a wide-ranging debate. The Bill is completely self-explanatory and I ask the honourable

member to direct his attention and his skill to the Bill.

Mr SALTMARSH—The Opposition supports the measure. It is bringing the current situation completely into the open. It will enable a considerable number of offenders to serve their sentences in an appropriate environment, resulting in greater benefit to themselves and to the community because of the work they will be able to contribute to society. They will be able to retain their family and employment contacts, and all other benefits. The Opposition wishes the Bill well.

Mr JASPER (Murray Valley)—The National Party supports the Bill. This is a further step forward in the range of options that are being made available to the courts when sentencing lawbreakers. The history of the development of attendance centres in Victoria is interesting. The first attendance centre at Thornbury was opened in 1976. A further attendance centre was established in the northern suburbs, and another one at Barwon in the Geelong area. Today there are four attendance centres in the metropolitan area, one in Geelong and a small one in Bendigo.

I was disappointed that the Minister in his second-reading notes did not give due credit to the fact that the attendance centre system was commenced by the previous Government and was a great step forward in providing an additional option to the courts. The Government is quick to criticize the previous Government for not undertaking certain matters, or for spending money in the wrong direction, or not providing for individual needs in the community welfare service area, but this is one area for which the previous Government needs to be congratulated.

This present Government has recognized the importance of the attendance centre system, which allows people to be sentenced to the centres in lieu of paying a fine or perhaps serving a gaol sentence. This will limit the number of inmates in prisons.

This Bill will allow the attendance centres to be utilized on more days of the week which will double the capacity of each of these centres. There will be two groups a week at each attendance centre. This is supported by the National Party.

As the National Party spokesman for community welfare services, I have been critical over a number of years of the inequality of justice in Victoria and the fact that lawbreakers in the metropolitan area, in Geelong and in the Bendigo region, have the option of being sentenced to an attendance centre while, in country Victoria, this option is not available.

The honourable member for Wantirna mentioned the options available under this Bill and he spoke about the legality of the prison sentences. The National Party highlights to the Minister the absolute need for the extension of attendance centres in country Victoria.

Information I have received indicates that the Department of Community Welfare Services sought to have included in the next Budget an allocation for the establishment of a seventh attendance centre. I should like the Minister to indicate where it is proposed that that attendance centre will be set up and whether consideration will be given to setting it up in the country. As I have indicated, those that operate in metropolitan Melbourne can take up to 60 attendees. The proposed legislation provides that each centre can operate two groups of 60. At the centre in Barwon, the maximum number is approximately 50. Yet the attendance centre at Bendigo has a maximum of only twenty.

I should like the Minister to consider setting up smaller centres in country Victoria so that an equality of justice can be achieved. That is the main point I wish to bring to the attention of the House and the Minister. Even small attendance centres like that which is operating at Bendigo, which holds a maximum of twenty attendees, could be established in areas like Ballarat, in western Victoria, or in the north-west or the north-east, where I live. Perhaps an attendance centre could be established at Warrangatta to service the north-eastern part of Victoria. As I have raised the matter on numerous occasions, I wish to receive a response from the Minister about the further development and establishment of those centres in country Victoria.

Another matter on which I shall comment is the community service order scheme which was mentioned during the second-reading speech of the Minister. Honourable members should realize that there is only one pilot scheme operating in

the south-eastern suburbs; the scheme should be extended and it may be considered as an alternative to setting up attendance centres in country Victoria.

If a community service order scheme could be established to operate in those areas, it would provide an alternative throughout the State and give magistrates an alternative to imposing a prison sentence or a fine, which at present are the only options available in some areas in the country. No doubt the proposed legislation will take a load off the prison system. I understand the concern expressed by the Government and the Minister at the overcrowding in the gaols and at police stations where prisoners have been held. They should not be detained at police stations because it is causing problems for the Police Force and could cause problems in the gaols.

The National Party supports the measure, but again reminds the Minister that it wants equality of justice for everyone in Victoria, including those who live in country areas.

Mr MACLELLAN (Berwick)—The Government should be proposing this measure because attendance centres are a better sentence alternative to have available to the courts than simply to rely on the gaol sentence. The Government should be emphasizing the need for this option and should find agreeable the remarks of the honourable member for Murray Valley, who has been raising this issue with not only the former Liberal Government but also this Government. The honourable member has stressed that that alternative should be available more widely throughout Victoria.

When a Bill of this type is introduced, one should reasonably expect the Minister to state during the second-reading speech her intention and the Government's intention to make alternative sentencing available in areas of Victoria where it is not available at present because Victoria does not have equality of justice before the law.

Some people are not able to attend the attendance centre because there are none in the area, so they receive a prison sentence. No one would argue that it will be practical or sensible in the short twelve months of the life of the Government for it to have provided that service throughout the State; I am not arguing that, nor is the honourable member for Murray Valley. It is realistic, however, to ask that the service be made available to a wider area of country Victoria.

I do not damn the Government because it has not established attendance centres throughout Victoria over the past twelve months, but I do say that the Minister should have told honourable members that it was the intention of the Government to do better in this field and to open new centres to provide for other areas.

Sentencing in the courts should not be a lottery; at present it is a lottery. Whether a person is sentenced to gaol depends on what day the sentence is handed down in the Magistrates Court. That is the situation that has evolved under a Labor Government; it did not exist under the former Liberal Government. I do not know what has happened over the past twelve months that has caused such overcrowding in the prisons.

The Bill is introduced not with a purity of statement that the Government wishes to establish attendance centres or that it was based on recommendations in the Henderson report into the prison system or because of prison overcrowding——

The SPEAKER (the Hon. C. T. Edmunds)—Order! I advise the honourable member for Berwick that he did not lead the Opposition in the debate and is now only one of the following speakers. I direct the honourable member not to attempt to develop a wide-ranging debate on the prison system, but to direct his remarks to the Bill.

Mr MACLELLAN—Thank you, Mr Speaker, for your correction and direction. I wish to follow with the Chair and the House the fate of someone who may appear before a Magistrates' Court and will, through the provisions in the Bill, it is hoped, have a greater chance of ending up in an attendance centre than in a prison.

At present, if someone appears before a magistrate in country Victoria, he may well find himself going to prison because an attendance centre has not been set up in his area. That is a person from one group, and there is the other group of people who appear on different days before the same Magistrates' Court and are sentenced to a prison term. Alternative sentencing is not available because the facilities are not available, due to overcrowding.

Those people are sent to Pentridge Prison, but what do they find? They simply register

and, in effect, are sent home. At present there is no equality of justice because someone may appear before a Magistrates' Court, which may lead to charges being laid and a prison sentence being imposed, yet it is a wild lottery as to where one is sent. Some people are sent to an attendance centre because it is available; some are not because it is not available; some are sentenced to gaol and some are not because of overcrowding.

It is almost like taking one's dry-cleaning to Pentridge Prison. One is sent home for seven days and, when one returns after that period, one is sent home again. One virtually does not serve a prison sentence at all and is almost better off than the person who may be sent to an attendance centre.

There is inequality of justice because a person who is convicted of exactly the same offence may be sent to Pentridge Prison while someone else may be sent to an attendance centre.

The Government should make a statement on not only the proposed legislation, but also on its intention and the directions it will take with attendance centres and gaols in the whole prison and sentencing system. It is not good enough for the Minister to introduce the second-reading speech and give an explanation without indicating the policy of the Government and what the Henderson report said on the matter.

Honourable members have not heard enough about what the courts said on these alternatives and their role in relieving pressure on Victoria's prison system.

Mrs TONER (Minister for Community Welfare Services)—I am absolutely delighted that in Victoria all political parties are committed to an alternative to imprisonment. When the proposed legislation was brought before the House it was the result of a longstanding commitment of the Government to have as few people in the prison system as possible and to provide alternative sentencing options.

The Government has achieved that with the establishment of the Bendigo attendence centre, about which the former Government talked but did not establish a centre in the southern regions to be used with the community services order programme. That centre is now working most effectively.

It shocks me to hear those hypocrites on the Opposition who neglected this sytem.

The SPEAKER (the Hon. C. T. Edmunds)—Order! As the honourable member well knows, the expression she used is unparliamentary. I ask her to withdraw it.

Mrs TONER—I withdraw the suggestion that members of the Opposition are hypocrites. The system in Victoria was neglected for years. The present Government has made a commitment and provided the funds for a remand facility to alleviate the situation. The Government has provided additional bed spaces, contrary to what the honourable member for Wantirna says, to make up for the loss resulting from the fire at Fairlea Women's Prison, which was a sad mark of the former Government's neglect.

I shall indicate the Government's commitment in providing equality of justice throughout the State. Over the years, the honourable member for Murray Valley has made the point that country persons should not be disadvantaged in respect of equality of justice, and that is perfectly right. I point out that there is no equality of offending.

Offending seems to happen very much in metropolitan areas. Recently, the Shire of Warracknabeal requested that a prison be provided in that area. Prisons provide important industry and job creation for country areas. When I considered the persons who were available for imprisonment whose families were domiciled in that region, I found that only ten came from the Wimmera area. There is no equality in offending because country people are more law abiding, but nevertheless alternatives must be developed and the Government is working on a range of options throughout the State in every region. As the honourable member for Murray Valley suggests, in the country regions there will be attendance centres, combined with community welfare service orders, which are working very effectively in the southern region. They are being evaluated so that persons who offend in country areas are able to serve out their sentences in those communities, which is extremely important.

I commend the progressive nature of Victorian Parliamentarians in wanting to provide alternative sanctions that the

community understands, and which ensure that persons who have offended against society and are an actual threat, will pay for the offence. I commend the Bill to the House.

The motion was agreed to.

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

POLICE REGULATION (AMENDMENT) BILL

The debate (adjourned from May 27) on the motion of Mr Fordham (Minister of Education) for the second reading of this Bill was resumed.

Mr EBERY (Midlands)—From a brief perusal of the Bill, it appears that it is quite reasonable, but the House should be aware that, because the Government has introduced 27 Bills in the past week, it is clear that it is passing legislation by exhaustion. One used to hear frequently that the Liberal Government, when in power, would start to make some inroads into the legislative programme. It is impossible to introduce 27 Bills in one week and expect the Opposition to scrutinize them closely. When the Labor Party was in opposition, it consistently criticized the Liberal Government. It is a wonder that in the second-reading speech the Minister did not maintain that the neglect of the former Government is why the Government cannot introduce legislation in a reasonable time.

I raise matters relating to the Bill. It is important as it transfers some powers from the Governor in Council to the Chief Commissioner of Police and makes provision for amendments that will affect many police officers. I question the reason for implementing the legislation in this way at this stage when a committee of inquiry is in process. I wonder whether the Government is pre-empting the inquiry or whether the Minister has received some preliminary reports from the inquiry.

The SPEAKER (the Hon. C. T. Edmunds)—Order! I do not want to interrupt the honourable member, but it is difficult for the Chair to understand the appropriateness of the honourable member raising the subject of the police inquiry in a debate that deals with police regulations. A passing reference to the inquiry is suitable, but I ask the honourable member to direct his attention strictly to the Bill, which is a relatively simple measure.

Mr EBERY—I was referring to the second-reading speech in which the Minister said:

> In the current financial year, 168 additional members of the force will be appointed, 143 members released from clerical duties to perform operational duties . . .

The point I was making was that this matter was nó doubt discussed by the committee of inquiry and that the numbers of police that the Government promised cannot be continued over the next three years.

The SPEAKER—Order! the honourable member should not tax the patience of the Chair in this matter. I suggest he return to the Bill before the House. Irrespective of what the Minister said in the second-reading speech, the Bill deals with amendments to police regulations.

Mr EBERY—I read a section of the Minister's second-reading speech and I understood that honourable members would be in a position to comment on that part of the second-reading speech.

The SPEAKER—Order! I understood that the honourable member had made a comment on the matter and I now ask him to return to the Bill.

Mr EBERY—The Bill gives the Chief Commissioner of Police power to appoint senior sergeants and makes provisions relating to long service leave. The Opposition supports the measure as it streamlines the operations and responsibility, taking away duties that tend to bog down police. It also provides that police will be able to be involved with State elections or political parties.

That is reasonable. Public servants in Victoria have that privilege, and the Opposition does not see why members of the Police Force should not enjoy that same privilege.

The Bill reduces from five years to three years the minimum qualification period for police pensions.

The Opposition has had limited time to scrutinize the Bill. Nevertheless, it supports the Bill and will further consider the measure while it is between here and another place.

Mr JASPER (Murray Valley)—The National Party supports the Bill. I express surprise at the establishment of the committee of inquiry that was mentioned by the Minister in his second-reading speech. I should have thought that the 1970–71 report of Colonel Sir Eric St Johnston contained sufficient information on the Police Force and sufficient recommendations that could have been implemented to improve the operation of the force generally without the Government appointing yet another committee of inquiry. This is just one of a large number of inquiries and task forces that have been set up since the Labor Government took office.

The Minister mentioned the effective strength of the Police Force. The National Party believes police strength needs to be adequate to enforce the laws of the State. On behalf of the National Party, I congratulate the Victoria Police Force on the way in which it operates. In recent times, police forces have come in for some criticism, but over the past day or two that criticism has not been directed at the Victoria Police Force.

The SPEAKER (the Hon. C. T. Edmunds)—Order! I advise the honourable member, as I advised the honourable member for Midlands, that the Bill is not a vehicle for a wide-ranging debate on the Victoria Police Force. It is a relatively simple measure and I ask the honourable member, with his knowledge, experience and skill, to come back to the Bill.

Mr JASPER—I appreciate the comments that you have made, Mr Speaker.

The SPEAKER—It is also a direction.

Mr JASPER—And I appreciate the direction that you have given. The opportunity needed to be taken to put the point of view that the National Party appreciates the work of the Police Force and that the criticism that has been levelled at the force in some recent media reports has probably been unjust. It has been pointed out that no direct criticism was made of the Victoria Police Force as such.

I was a member of the former Subordinate Legislation Committee in the two previous Parliaments and am at present a member of the Legal and Constitutional Committee. As a member of those committees, I have been well aware of the regulations that come through regularly to change police strength. It seemed to those committees anomalous to be dealing with regulations changing the number of police in various areas. A regulation may change the number of inspectors, chief inspectors, superintendents, chief superintendents, commanders and right down through the ranks to senior sergeants. A regulation would come through which may, for instance, change the numbers by one chief inspector with a compensatory reduction of one or two inspectors. Although those regulations are of interest to the committee, there is realy no need for them to come to the committee. Handling those matters was time consuming, even though they were never out of order because they were Governor in Council recommendations.

The National Party sees the Bill as a positive step in reducing the work load of the Public Service in producing these regulations and seeing that they are brought before Parliament.

I note with interest the amendment that will allow members of the Police Force to take part in State elections. The only prohibition that applies is that they must not campaign while on duty or in uniform. I wonder how that provision might have applied to the honourable member for Noble Park in his former role in the television series *Cop Shop*! The honourable member performed well. My family enjoyed that programme and have taken much more note of it since the honourable member's elevation to Parliament. His appearance in that programme may result in more real live policemen entering Parliament in the future.

The National Party supports the Bill. It contains a number of unrelated amendments, but most are important to the Police Force and its efficient operation.

The motion was agreed to.

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

CONSTITUTION (DURATION OF PARLIAMENT) BILL

The House went into Committee for the further consideration of this Bill.

Discussion was resumed of clause 1 (Short title)

Mr SIMPSON (Minister for Property and Services)—I move:

Clause 1, sub-clause (2), lines 8 and 9, omit "the day upon which it receives the Royal Assent" and insert "14 October 1984".

Under the amendment, the Act is not to come into force until 14 October 1984, which is nine months before the expiration of the term of the members of the Legislative Assembly elected in 1979. This will allow a general election for the Legislative Assembly and a periodical election for the Legislative Council to be held as a simultaneous election at any time from approximately mid-November onwards.

The Constitution Act Amendment (Conjoint Elections) Act 1981 allowed the periodical elections for the Legislative Council to be held within the nine months before the expiration of the term of the members of the Legislative Council elected in 1976. This was legislation introduced by the Liberal Government of the day and supported by the then Opposition, the now Government.

Mr MACLELLAN (Berwick)—As will be seen by all honourable members, the amendments circulated in the name of the Leader of the Opposition propose the date of 1 January 1985. I shall not debate that amendment because it has not been moved. There is a difference between the amendment of the Government and that of the Opposition, and I do not wish to debate that at length.

The Opposition believes that 1 January 1985 is the proper alternative to have. In effect, it means that, if the Government amendment were to be agreed to, the Government would have a choice of a late year election—I suppose one could say it would be a spring election in the November or December period—and a further choice of an election in the New Year.

If the Opposition amendment were to be agreed to, an opportunity would exist for an autumn election associated with the fixing of a day on a particular day, by formality that is a Saturday in a particular month, thereby not only achieving a four-year term, but also a fixed term of Parliament. That is the difference between the amendment of the Government and the Opposition. The Opposition does not support the amendment moved by the Government and, at a suitable time, will move an amendment to the amendment proposed by the Government.

Mr CAIN (Premier)—There should be some indication of the reasons why this amendment is being moved. It was the view that was expressed during the second-reading debate that the effect of clause 4 of the Bill was that it would be possible for a dissolution of this Parliament to be called at any time and the members of the Upper House would be required to face the electorate well before their elected term, which was in the fixed term for which they are elected, namely, July 1985.

That was never the Government's intention when this proposed legislation was framed. I acknowledge that, on what seems to be the most likely reading and understanding of that clause, that may well be the consequence. This Parliament is attempting to ensure that any future Parliaments will be elected for a four-year term. I believe that is the common view that is held across the political spectrum and that is desirable.

There are several reasons for that and I shall not go into them. In so doing, it constrains the operations and the capacities that exist in regard to this Parliament. The reality is that this House can be dissolved at any time and, with the formalities being complied with, an election can take place in which the members would be elected for three years.

The other place cannot be dissolved prior to its fixed term being completed in July 1985.

The effect of the Bill is to put more constraint upon this Parliament. The Parliament is prepared to take the step that should be taken to effect the constitutional change and give us four-year terms. The corollary of that is that this Parliament ought not to be restrained and hidebound as to the time an election can be called to comply with the direction or the requirements that are set out and enunciated in the Bill.

It has been the custom in this place for some years—I bow to the experience and advice of those who have been in this place longer than I—that a Bill has been passed before each election to provide for conjoint

elections. That is a desirable and sensible response and that has been the case since the mid-1950s or thereabouts. That would be the wish of all.

The practice has been to provide an election held for a period before the due date and could be an election that elected members of both Houses, the members of the Upper House taking their seats at some future time when the fixed term expires. The periods of time that have been allocated or suggested for that conjoint election are six months or nine months. That has been the practice, as I understood it. In the amendment, it is put that some sort of flexibility should be allowed to this Government. The amendment would provide for any time between the period of October and April, when the election is due. That would be an appropriate time that the election could take place which would elect the first four-year Parliament for both Houses.

This is a reasonable constraint placed upon this Government and this Parliament, that is, taking the steps of introducing this reform measure. As I said yesterday, I do not like scoring political points, and I do not need to. The point should be made that all reforms that have taken place in this Parliament came from the Labor Party.

Honourable members interjecting.

Mr CAIN—Would honourable members opposite tell me what electoral reforms have come from the Conservative party. They "initiated" the Bill in the other place that Jack Galbally had been moving year after year.

Honourable members interjecting.

Mr CAIN—No one pinched it. Honourable members opposite cannot tell me that their party inititated any electoral reform of any consequence.

Mr B. J. EVANS (Gippsland East)—On a point of order, the Committee is discussing whether the Bill shall receive the Royal assent on 14 October 1984. It seems that the argument with which the Premier is dealing has no relevance whatsoever. Mr Chairman, I suggest that you should rule that this debate consist purely and simply of matters surrounding that date and nothing else. The only argument the Attorney-General is justified in using is why the date of 14 October should be the day upon which the Act receives Royal assent.

Mr Chairman, I ask for your guidance about procedure, while I am debating the point of order. Two amendments have been proposed for the same clause of the Bill. Am I correct in assuming that if the amendment to clause 1 proposed by the Minister for Property and Services is agreed to, there will be an opportunity to debate the amendment proposed by the Leader of the Opposition? Does the amendment proposed by the Leader of the Opposition have to be moved before the question is put?

The CHAIRMAN (Mr Wilton)—Order! I uphold the point of order to the extent that the Committee at present is dealing with the amendment moved by the Minister for Property and Services. Once the Committee has resolved that matter, it will deal with the clause, as amended. I ask the Premier to come back to discussing the subject matter of the amendment moved by the Minister.

Mr CAIN (Premier)—All I am speaking about is the appropriate date or time an election should be set. What the October date does is to provide for a six-months period. It is all very well to refer to a time beyond the April date—the three years which is constitutionally available to a Government. The facts are that an election should be held on or before April 1985.

I believe this Parliament is being restricted by the time when a dissolution can occur. It is eminently reasonable for this Bill to require that a discretion exists to dissolve both Houses and hold an election within that period of six months—October 1984 to April 1985. For that reason I commend the amendment to the House.

If the alternative date were to be adopted when this measure comes into effect, the reality is that that is saying to the Government that an election must take place either in March or early April 1985. I do not believe one could suggest it would be practical to hold an election in January, February or early March. I do not believe any honourable member can recall an election being held in those months. It is suggested by interjection from across the Chamber that it could be May.

The former Premier, Dick Hamer, was in political trouble and went beyond the three years. The Government does not believe that is a desirable time. I accept that constitutionally the Government could go until

July 1985—three months after the first day of sitting. The proper course is for an election to take place in or before April 1985. The people expect a three-year Parliament, or a four-year Parliament as it will be. The proposition contained in the amendment is reasonable and should be accepted by the Committee.

Mr MACLELLAN (Berwick)—The Premier wants the Bill to come into operation, not on the day on which it receives the Royal assent, but on 14 October 1984. He seeks to take away from those members of another place who were elected for a fixed six-year term some part of that term. That is not an appropriate solution.

The Opposition intends to move amendments at the appropriate time.

Mr CAIN (Premier)—I did not believe there was a misunderstanding about what I said. The Government does not suggest for one moment that those members of the Upper House who have been elected for a fixed term should serve any less than that term. They will serve until July 1985.

The amendment provides that an election can take place for both Houses with members of the Upper House not taking their seats until July 1985. That is not unusual, nor is it undesirable. Members will be elected but will not take their seats until 15 July 1985 when the term of the present members of the Upper House expires.

Mr EBERY (Midlands)—I believe the Premier is keeping his options open for a November 1984 election. I do not believe the argument presented by the Premier is rational because the Premier has stated categorically on many occasions that he believes the Parliament should run its full term, yet it is clear that in this amendment the Premier is keeping his options open so that he can go to an election six months early.

The Premier said an election is never held later than April. In 1973 an election was held in May. It is unrealistic to suggest that conjoint elections should take place in November 1984 when members elected to the Upper House would have to wait for eight or nine months before being allowed to take their seats. The Premier appears to be determined to pursue this amendment. He must have an ulterior motive!

Mr SIMPSON (Minister for Property and Services)—I am delighted that the honourable member for Midlands raised the points he did. He must have a very short memory. In this Chamber in 1981 the Minister of Public Works, the Honourable Alan Wood, introduced a Bill titled The Constitution Act Amendment (Conjoint Elections) Bill and in his second-reading speech, recorded at page 270 of *Hansard,* he stated:

> This Bill, however, will permit the election to be held up to nine months in advance of its normal due date.

That Bill was introduced by the Government of which the honourable member for Midlands was a member. The conjoint election was to give his Premier the flexibility of calling an election nine months ahead of time, but for some reason it is wrong for the Premier of this Government to have the same opportunity.

The precedent was set in April 1981 and was supported by all members of the Opposition at that time who, for some unforeseen reason, have changed their stand.

On 16 September 1981, Mr Cain, the then Leader of the Opposition, is recorded at page 562 of *Hansard* as stating:

> This Bill allows the Government to seek an election for both Houses at any time it wishes, up to a period of nine months before the time at which the term of office of members of the Upper House would come to an end. The measure is not opposed by the Opposition.

Our stand is consistent with the stand taken by us when in opposition in 1981. The then Government—now the Opposition—has changed its stand and does not believe the nine-month period is desirable. Even the Leader of the National Party had this to say on 16 September 1981—recorded at page 563 of *Hansard:*

> I can understand the Government wishing to introduce the Bill now. It will give it the option of going to the polls whenever it chooses, which is pretty much an accepted Parliamentary practice.

The honourable member for Midlands supported the proposition then—why not now? The precedent was established by the previous Government and it is logical for the Committee to accept the amendment moved by me that the Act shall come into operation on 14 October 1984.

Mr B. J. EVANS (Gippsland East)—I have listened with interest to the remarks of the Minister. I would not dispute some of the points he made, but in putting forward that argument he conveniently overlooks the fact that the Bill changes a number of very significant aspects regarding elections.

It is true that over a considerable number of years elections for this Parliament have occurred on a regular three-year pattern. I suggest that has occurred not necessarily because the Government, or the Premier of the day, was seeking to serve out the three-year term but because the Premier was under the constraints of a fixed term for the Legislative Council and he could not conduct elections for the Legislative Council beyond a period of six months before the due date of expiry. The proposed legislation will change that fundamental factor.

It is pointless for the Minister to argue that this is not really different from the practice in the past; it is a fundamental change in the electoral process. Although his remarks were perfectly accurate, they were not relevant to the measure. I have yet to be convinced that there is any significant reason why the date of 14 October 1984 should be determined. Serious complications may be caused.

Assuming that the next election occurred immediately after 14 October—for example, on 14 November, to give the Government time to get things organized—and the Parliament then served for a fixed period of three years, half the members of the Upper House would still have to serve another nine months of their terms. There will be an odd combination of periods in the Upper and Lower Houses.

The Premier has frequently expressed his firm conviction that the Parliament should run for its full term. Therefore, it is difficult to understand why he now wants to have the flexibility to go to the polls nine months ahead of the full term to which the Government is entitled. The Premier is a reasonable man; I hope I am also, and I am trying to understand his reasoning. However, I do not know of any convincing argument to justify the Premier's insistence that the proposed legislation should come into effect on 14 October 1984 rather than 1 January 1985.

Mr ROSS-EDWARDS (Leader of the National Party)—The wording of the proposed legislation means that an election of all members of the Assembly and half the Council members could be held at any one time.

Mr Simpson—Correct.

Mr ROSS-EDWARDS—Was that intentional or was it a mistake; did the Minister realize what he was doing?

Mr Simpson—I told you that privately; it was a mistake.

Mr ROSS-EDWARDS—I do not care what the Minister says privately; a mistake has been made in the drafting of the Bill. It enables the Government to go to the polls in eight months' time and take all the Assembly and half the Upper House with it. However, that is not intended.

The Government has stated time and again that it believes it should serve its full term. It has now put the date of 14 October 1984 into the measure, which gives the Government the option of going to the polls eight months early. The Government can serve for a period of three months over its term. Therefore, under this proposed legislation, the Government can go to the polls in October, November, December, January, February, March, April, May or June.

Obviously the Government must be given some flexibility, and the suggestion is for a period of six months. If that is adopted, the Government will have served its full term and will have six months in which to decide on what day the election will be held. The Labor Party has been inconsistent in the views it has put to the public of Victoria for many years.

The words proposed by Mr Simpson to be omitted were so omitted.

The CHAIRMAN (Mr Wilton)—The amendments circulated by the Minister for Property and Services and the Opposition deal with the same clause.

Standing Order No. 82 states:

> When there comes a question between the greater and lesser sum, or the longer or shorter time, the least sum and the longest time shall first be put to the question.

Therefore, as the amendment proposed by the Opposition is designed to operate over

a longer period of time, I invite the honourable member for Berwick to move the amendment to have the words inserted.

Mr MACLELLAN (Berwick)—I move:

Clause 1, lines 8 and 9, after the word "on" insert "1 January 1985".

Because of the omissions made, in agreement with the Minister's first motion, I am now moving for the filling in of the blank with the expression, "1 January 1985". If that is defeated, presumably the Minister will move a different amendment.

The Committee divided on the question that the expression proposed by Mr Maclellan to be inserted be so inserted (Mr Wilton in the chair).

Ayes	23
Noes	43
Majority against the insertion of the expression	20

AYES

Mr Austin	Mr Maclellan
Mr Brown	Mr Ramsay
Mr Delzoppo	Mr Reynolds
Mr Dickinson	Mr Richardson
Mr Ebery	Mr Ross-Edwards
Mr Evans (*Gippsland East*)	Mr Saltmarsh
Mr Hann	Mr Steggall
Mr Kempton	Mr Templeton
Mr Leigh	Mr Williams
Mr Lieberman	*Tellers:*
Mr McKellar	Mr Burgin
Mr McNamara	Mr Jasper

NOES

Mr Cain	Mr Mathews
Miss Callister	Mr Micallef
Mr Cathie	Mr Miller
Dr Coghill	Mr Newton
Mr Crabb	Mr Pope
Mr Culpin	Mrs Ray
Mr Ernst	Mr Rowe
Mr Fogarty	Mr Seitz
Mr Fordham	Mrs Setches
Mr Gavin	Mr Sheehan (*Ivanhoe*)
Mr Gray	Mr Sheehan (*Ballarat South*)
Mr Harrowfield	Mr Shell
Mr Hassett	Mr Sidiropoulos
Mrs Hill	Mr Simmonds
Mr Ihlein	Mr Simpson
Mr Jolly	Mr Spyker
Mr Kennedy	Mr Stirling
Mr Kirkwood	Mrs Toner
Mr McCutcheon	Mr Trezise
Mr McDonald	Mr Walsh
	Mr Wilkes
	Tellers:
	Mr Hockley
	Mr Norris

PAIRS

Mr Kennett	Mr Hill
Mr McGrath	Mr Remington
Mrs Patrick	Mr Roper
Mr Whiting	Dr Vaughan

Mr SIMPSON (Minister for Property and Services)—I move:

That after the word "on" insert "14 October 1984".

Mr MACLELLAN (Berwick)—For reasons given previously, the Opposition rejects the amendment.

The Committee divided on the question that the expression proposed by Mr Simpson to be inserted be so inserted (Mr Wilton in the chair).

Ayes	43
Noes	23
Majority for the insertion of the expression	20

AYES

Mr Cain	Mr Newton
Miss Callister	Mr Pope
Mr Cathie	Mrs Ray
Dr Coghill	Mr Rowe
Mr Crabb	Mr Seitz
Mr Culpin	Mrs Setches
Mr Ernst	Mr Sheehan (*Ivanhoe*)
Mr Fogarty	Mr Sheehan (*Ballarat South*)
Mr Fordham	Mr Shell
Mr Gavin	Mr Sidiropoulos
Mr Gray	Mr Simmonds
Mr Harrowfield	Mr Simpson
Mr Hassett	Mr Spyker
Mrs Hill	Mr Stirling
Mr Ihlein	Mrs Toner
Mr Jolly	Mr Trezise
Mr Kennedy	Mr Walsh
Mr Kirkwood	Mr Wilkes
Mr McCutcheon	*Tellers:*
Mr McDonald	Mr Hockley
Mr Mathews	Mr Norris
Mr Micallef	
Mr Miller	

NOES

Mr Austin	Mr Hann
Mr Brown	Mr Kempton
Mr Burgin	Mr Leigh
Mr Delzoppo	Mr Lieberman
Mr Dickinson	Mr McNamara
Mr Ebery	Mr Macllellan
Mr Evans (*Gippsland East*)	Mr Ramsay
	Mr Reynolds

Mr Richardson	Mr Williams
Mr Ross-Edwards	
Mr Saltmarsh	*Tellers:*
Mr Steggall	Mr Jasper
Mr Templeton	Mr McKellar

PAIRS

Mr Hill	Mrs Patrick
Mr Remington	Mr Whiting
Mr Roper	Mr Kennett
Dr Vaughan	Mr McGrath

The clause, as amended, was agreed to, as were clauses 2 and 3.

Clause 4 (Tenure of members)

Mr SIMPSON (Minister for Property and Services)—I move:

Clause 4, lines 18 to 21, omit all words and expressions on these lines and insert:

"(3) The period during which a member of the Council elected at a periodical or general election is entitled to hold his seat therein shall, except in the case of a member elected at the first periodical election for the Council held after the commencement of the Constitution (Duration of Parliament) Act 1983, commence from and including the date appointed for taking the poll at which he is elected and the period during which a member of the Council elected at the first periodical election for the Council held after the commencement of the Constitution (Duration of Parliament) Act 1983 is entitled to hold his seat therein shall commence from and including 15 July 1985."

The CHAIRMAN (Mr Wilton)—Order! Once again, I appeal to honourable members that if they must have private conversations to do so outside the Chamber as I cannot hear the Minister.

Mr SIMPSON—Proposed new section 28 (3) in the Bill provides that the period during which a member of the Legislative Council who is elected at a periodical election or general election is entitled to hold his seat shall commence from and including the date of the taking of the poll. The amendment provides that this shall apply to all future elections except the first periodical election after the Act commences. For this first periodical election for members of the Legislative Council, the members elected shall commence their membership on 15 July 1985.

Mr MACLELLAN (Berwick)—As the Opposition had in mind a similar amendment, it will be supporting the Government's amendment. That will also apply to the next amendment that the Minister proposes to move, which just shows the consistency of Parliamentary Counsel on the drafting of these amendments.

The amendment was agreed to.

Mr SIMPSON (Minister for Property and Services)—I move:

Clause 4, lines 36 and 37, omit "the expiry or dissolution of the Legislative Assembly next after that commencement" and insert "14 July 1985".

Proposed new section 38 (6) provides that, in respect of those members of the Legislative Council whose terms of office would normally expire on 14 July 1985, they shall continue to hold their seats until 14 July 1985 even though the next periodical election may be held some months earlier. Of course, the term of office would expire if there were an earlier dissolution of the Council requiring a general election for the Council.

The amendment was agreed to, and the clause, as amended, was adopted.

Clause 5 (Duration of Assembly)

Mr MACLELLAN (Berwick)—I move:

Clause 5, lines 14–17, omit all words and expressions on these lines and insert:

"(2) The Assembly (other than the Assembly to which sub-section (1) applies) shall exist and continue from the day of its first meeting after a general election until the expiration of—

(*a*) if the last Assembly expired—the first Thursday in the April fourth occurring after that meeting;

(*b*) if the last Assembly was dissolved pursuant to section 38A of this Act—the first Thursday in the April fourth occurring after the date of such dissolution;

(*c*) if the last Assembly was dissolved pursuant to section 62 or section 66 of this Act—the first Thursday in the April fourth occuring after the term of the Assembly last expired—

unless there is a dissolution of the Assembly in pursuance of section 38A or section 62 or section 66 of this Act before the first Thursday in that April.

(3) After the expiry of an Assembly, a general election of members of the Assembly shall be held on the first Saturday in the May immediately following the April in which the expiry occurred.

(4) Notwithstanding sub-section (3) writs for a simultaneous general election for the Assembly and for a periodical election for the Council may be held at any time within three months before the Assembly will expire by effluxion of time but the holding of such an election shall not operate to dissolve the Assembly which will expire as provided in sub-section (2).

(5) After the dissolution of an Assembly, a general election of members of the Assembly shall be held on the Saturday fourth occurring after the day on which the Assembly was dissolved.".

Mr CAIN (Attorney-General)—On a point of order, before the Deputy Leader of the Opposition speaks to the amendment, I put it to you, Mr Chairman, that this amendment should be disallowed. It is not relevant to the material contained in the Bill before the Committee. In anticipation, I would say that the same would apply to a number of amendments that are to be proposed by the Opposition.

What I contend in the point of order is that this Bill relates to elections and the period of office to be served by the members elected in the course of those elections. What this amendment and the following amendments to be proposed are about is a quite different concept altogether. It is a concept of a fixed term, which is quite foreign to all of the philosophy and concepts contained in the Constitution Act, the principal Act which this Bill amends. Therefore, the amendments, as proposed by the Opposition, ought not to be heard by the Committee.

The Constitution Act is based upon a number of tenets, and the fundamental tenet is the Westminster system, which does not allow for a fixed term of Parliament, but which is what these amendments are about. I submit to you, Mr Chairman, as a point of order, that if it is desired to propose that this notion be introduced and, as it were, superimposed on the Victorian Parliamentary system, it ought to be done in a separate Bill by way of amendment to the Constitution Act and the relevant provisions of it. There are also other provisions of the Act that would be affected by these amendments far beyond those contained in the amending Bill.

Mr MACLELLAN (Berwick)—On the point of order, Mr Chairman, the Committee has been advised in respect of the point of order raised by the Premier—and doubtless you, Mr Chairman will have your sources of advise on the technical matter raised that the amendment that has been moved seeks to propose that, for the duration of the Parliament to be elected under the proposed legislation—which the Committee is discussing, that is, the Constitution (Duration of Parliament) Bill—there should be a fixed term. That is entirely relevant to the question of the duration of the Parliament. It is not seeking to introduce extraneous matters or suggesting anything else.

I concede that, had the Premier taken the objection to one foreshadowed amendment, which the Opposition does not propose to move, and I will identify it now as proposed new clause BB, which seeks a proposed new section 18, that would have been a proper objection for the Premier to raise on that proposed amendment. However, the honourable gentleman has probably sprung the trap too soon in this instance because he is objecting to a proposed amendment to the Bill, which is entirely about the duration of Parliament. The proposed amendment seeks to define the duration of the Parliament elected after the Bill has come into force. The Opposition believes the duration of that Parliament ought to be for a four-year term.

Mr Chairman, I direct your attention to the earlier remarks of the Premier, when he said that the Government should serve its full term and that the Parliament should serve its full term. The Committee is considering a four-year term and the Government serving that four-year term and the particular means by which that term may legitimately be reduced. I refer to exceptional circumstances such as a motion of no confidence—and I shall come to that later—or a persistent refusal by the Legislative Council to pass legislation.

All of the proposed amendments are on the duration of the Parliament, that is, should the Parliament have a fixed four-year term; should it have a lesser term; should Supply be refused; should it have a lesser term in the event of a no confidence motion, and should it have a lesser term in the event of a hostile Upper House persistently rejecting legislation? One is talking of the rights of the Government to dissolve the Parliament and the duration of the Parliament. Had the proposed legislation been only about the term of Parliament, I may have been in more difficulty.

However, the proposed legislation is about the duration of Parliament. It is a Bill that is concerned not only with the term of the Parliament but also with the duration of the Parliament. The foreshadowed amendments are directed entirely towards

the duration of the Parliament, that is, its duration for four years and fixing a four-year term. Its duration for a lesser period—in three exceptional circumstances—is identified in the proposed amendment.

The Opposition believes the proposed amendment is in order and that you, Mr Chairman, should rule accordingly. The Opposition concedes that you, Sir, could well rule that proposed new clause BB—proposed new section 18—which talks about an extraneous map, was out of order, had the Premier raised a point of order at that time. The Opposition will not persist with that foreshadowed amendment, although the view of the Opposition is that it ought to be adopted. However, the Opposition concedes the point that it is not a question of duration.

The proposed amendment is on the question of duration, namely, the duration of the Parliament elected after this Bill is enacted. Should it be for a four-year term? Should it serve its full time? Should it, by the proposed amendment, be required to serve its full term excepting in three exceptional circumstances?

Mr Chairman, I hope I have not gone too far into the merits, but unless I go that far into the merits of the proposal, you are not in a position to give a ruling on my argument, which is that the Bill is about the duration of Parliament and not the term of the Parliament.

Mr B. J. EVANS (Gippsland East)—On the point of order, Mr Chairman, the National Party supports the comments made by the honourable member for Berwick. Unless the clause is debated, it will be difficult to demonstrate exactly where it is relevant because one of the most important factors involved is that the Bill seeks to interfere in the longstanding tradition that the Legislative Council shall endure for a fixed six-year term. The Bill, if passed, will do away with that longstanding tradition, and the implications of doing away with that tradition, without substituting something else, are matters that should properly be discussed by the Committee.

The National Party believes this clause is most relevant to the consequences of abolishing fixed six-year terms for the Legislative Council and not substituting something of definite merit in its place.

The substance of the proposed amendment should not be debated as a point of order, but the amendment is relevant because the Committee should be entitled to discuss a substituted term for the Legislative Council.

The CHAIRMAN (Mr Wilton)—Order! The Deputy Leader of the Opposition is correct inasmuch as I have had an opportunity to study the amendments proposed to be moved by the Opposition. I take the view that the current amendment on which the point of order has been made is really consequential upon the proposed new clause AA, which has been circulated in the name of the Leader of the Opposition.

Having had the opportunity to study the proposed amendments and the Bill in detail, I am now in a position to rule on the admissibility of these proposed amendments.

I base my ruling on the fact that the Committee can deal only with the Bill as it is presented to the Committee by the House, inasmuch as the House has read the Bill a second time and the Bill confines itself to the question of extending the term of the Parliament to a period of something within a four-year period. It does not deal specifically with the question of fixed terms.

In the absence of an instruction to the Committee, I should firstly allude to proposed new clause AA, which seeks to introduce a new concept in as much as it directs itself to the question of the existing powers of the Governor. As the Bill presented to the Committee does not refer to that particular area, and as I said in my opening remarks, the proposed amendment is consequential, and in the absence of an instruction from the House, I rule that the amendments are out of order in as much as they seek to introduce a new concept into the proposed legislation. However, the Deputy Leader of the Opposition may wish to readdress the position he now finds himself in following the third reading.

Mr MACLELLAN (Berwick)—On a point of order, Mr Chairman, may I ask whether you are ruling out every proposed amendment or only the proposed amendment to which the Premier took objection? Have you, Sir, been addressed on the question of other proposed amendments and, if not, do you have any objection to the proposed amendments or are they consequential? I am not sure from your ruling, Mr

Chairman, exactly how many of the proposed amendments circulated in the name of the Leader of the Opposition are subject to your ruling. I should like you, Mr Chairman, to clarify that point.

The CHAIRMAN—I have had the opportunity of examining all the amendments that have been brought forward by the Opposition, and my ruling would apply to the consequential amendments which related to new clause AA as it was my intention to rule that new clause AA was beyond the scope of the Bill. Therefore, any consequential amendments related to new clause AA would correspondingly be ruled out of order. However, I repeat that the honourable member may wish to find a remedy to his problem at the third-reading stage.

Mr MACLELLAN (Berwick)—I raise a further point of order. I take it from what you have just ruled, Mr Chairman, that all amendments not yet put are out of order, every one of them. You are ruling that all of them are consequential and all are out of order?

The CHAIRMAN—I am foreshadowing future rulings when we get down the track.

The Committee divided on the clause (Mr Wilton in the chair).

Ayes	43
Noes	23
Majority for the clause	20

AYES

Mr Cain	Mr Mathews
Miss Callister	Mr Micallef
Mr Cathie	Mr Miller
Dr Coghill	Mr Newton
Mr Crabb	Mr Pope
Mr Culpin	Mrs Ray
Mr Ernst	Mr Rowe
Mr Fogarty	Mr Seitz
Mr Fordham	Mrs Setches
Mr Gavin	Mr Sheehan (*Ivanhoe*)
Mr Gray	Mr Sheehan (*Ballarat South*)
Mr Harrowfield	Mr Shell
Mr Hassett	Mr Sidiropoulos
Mrs Hill	Mr Simmonds
Mr Ihlein	Mr Simpson
Mr Jolly	Mr Spyker
Mr Kennedy	Mr Stirling
Mr Kirkwood	Mrs Toner
Mr McCutcheon	
Mr McDonald	
Mr Trezise	*Tellers:*
Mr Walsh	Mr Hockley
Mr Wilkes	Mr Norris

NOES

Mr Austin	Mr Maclellan
Mr Brown	Mr Ramsay
Mr Burgin	Mr Reynolds
Mr Delzoppo	Mr Richardson
Mr Dickinson	Mr Ross-Edwards
Mr Ebery	Mr Saltmarsh
Mr Evans (*Gippsland East*)	Mr Steggall
Mr Hann	Mr Templeton
Mr Kempton	Mr Williams
Mr Leigh	*Tellers:*
Mr Lieberman	Mr Jasper
Mr McNamara	Mr McKellar

PAIRS

Mr Hill	Mrs Patrick
Mr Remington	Mr Whiting
Mr Roper	Mr Kennett
Dr Vaughan	Mr McGrath

Clauses 6 to 21 were agreed to.

New clause

Mr SIMPSON (Minister for Property and Services)—I move:

Insert the following new clause to follow clause 21:

"AA. Notwithstanding anything in any Act on the first dissolution of the Assembly after the commencement of the Constitution (Duration of Parliament) Act 1983 writs for the periodical election of members of the Council whose term of office expires on 14 July 1985 shall be issued on the same day as the writs for the general election of the Assembly are issued and there shall be a simultaneous election for the Council and the Assembly."

The Bill provides that members of the Legislative Council hold their seats until the dissolution of the second Legislative Assembly after their election and, as a consequence of the end of their period of membership, a periodical election must be held.

Writs for the periodical election for the Legislative Council and the general election for the Legislative Assembly shall be issued by the Governor and shall be issued on the same day. Because the proposed amendments continue the period of membership of the members elected in 1979 until 14 July, 1985, there will be no need to hold a periodical election for the Legislative Council until 14 July, 1985, but it is desired

that the next periodical election for the Legislative Council should be held together with the next general election for the Legislative Assembly in late 1984 or early in 1985 as a "simultaneous election" similar to previous conjoint elections.

This amendment provides that the periodical election for the Legislative Council will be held simultaneously with the general election for the Legislative Assembly, despite the fact that Legislative Council members continue until 14 July 1985, and new members will not commence their term until 15 July 1985. These amendments will not affect the entitlement of honourable members to receive their Parliamentary salaries as set out in section 7 of the Parliamentary Salaries Act 1968.

As has been mentioned by the Deputy Leader of the Opposition, coincidental again, Parliamentary Counsel has exactly the same wording for the Government's amendment as that of the Opposition.

Mr MACLELLAN (Berwick)—I want to make it clear that the Opposition does not oppose the amendment moved by the Minister. Indeed, as he says, the Opposition had circulated an amendment in exactly the same terms. However, our support and desire to have that amendment was on the basis that the other amendments proposed to be moved by the Opposition would have been accepted. That not having occurred, the Opposition's attitude to the Minister's amendment will be that it is not opposing it. However, the Opposition is reserving its position for another place, and it indicates to the House, to the Minister, to the Committee and to the Government, that, baring agreement being reached on the amendment circulated by the Opposition but not moved in Committee, it may well be that this Bill either does not proceed in another place or is returned here from another place to be suitably altered. It may be that this Bill will be found unsatisfactory in another place without the other amendments proposed to accompany it.

The new clause was agreed to.

The Bill was reported to the House with amendments, and the amendments were adopted.

Mr SIMPSON (Minister for Property and Services)—I move:

That this Bill be now read a third time.

Mr MACLELLAN (Berwick)—It is not my desire to take advantage of a compulsory audience, but of the invitation of the Chairman of Committees, during the Committee stage of the Bill. You would be aware, Mr Speaker, that some amendments offered by the Opposition were ruled not to be possible for the Committee to consider. I wish to make the position of the Opposition perfectly clear. The Government has, by mistake in the early stages of the Bill, grabbed the opportunity of an early election and got caught doing it. It now seeks to have a four-year term for the next Parliament.

The SPEAKER (the Hon. C. T. Edmunds)—Order! I advise the honourable member that the third reading is not a further opportunity to go through all of the detail of the Bill. The honourable member is well aware that it is a very restricted debate.

Mr MACLELLAN—The Government seeks at the third reading to have a four-year term for the next Parliament. The Government rejects, and the Bill does not include, a provision for a fixed Parliament. Without consensus between the parties, and without a search for a reasonable consensus between the parties, the Bill now before us on the third reading has little chance of succeeding or surviving in another place.

Honourable members interjecting.

The SPEAKER—Order! Will the House come to order! The remarks of the Deputy Leader of the Opposition are of interest to us all, and I am having difficulty hearing what he is saying.

Mr MACLELLAN—I will not bother repeating my remarks, other than to say that I believe if the parties can get together to seek a consensus with goodwill, the opportunity is there and the Opposition will participate in that process in seeking that consensus. But despite the meetings that have so far been held, that has not emerged, and the Opposition's amendments are a sensible consensus to work around.

Mr B. J. EVANS (Gippsland East)—The Bill in its present form is unacceptable to the National Party, because in the process of eliminating the six-year terms for the Legislative Council, the Bill now contains no safeguards against elections taking place in quick succession, which may well be used at a time by any political party, whether it

be a Labor Government or a Liberal Government. Under the Bill as it now stands, after the term of this Parliament it would be possible for the Government of the day to turn the Legislative Council over in a matter of twelve months.

Honourable members interjecting.

The SPEAKER (the Hon. C. T. Edmunds)—Order! The honourable member for Gippsland East is as aware, as I am, of the restrictions and limitations on a debate on the third reading, and the honourable member is attempting to expand that limitation into another debate on the Bill itself. I ask the honourable member to restrict himself to the precedent set in a debate on the third reading.

Mr B. J. EVANS—The point I am trying to make to you, Mr Speaker, is that the Bill in its present form, and the effect of that Bill if it is put into operation in its present form, will leave the opportunity open for a political party, perhaps on the crest of a wave, to turn a Parliament over in quick succession in order to achieve its objective and break down the very essential ingredient that was placed in the legislation giving the Legislative Council a fixed term, and so avoid such opportunities being availed of. The National Party does not see its way clear to support the Bill.

The House divided on the motion (the Hon. C. T. Edmunds in the chair).

Ayes	44
Noes	23
Majority for the motion	21

AYES

Mr Cain	Mr McCutcheon
Miss Callister	Mr McDonald
Mr Cathie	Mr Mathews
Dr Coghill	Mr Miller
Mr Crabb	Mr Newton
Mr Culpin	Mr Norris
Mr Ernst	Mr Pope
Mr Fogarty	Mrs Ray
Mr Fordham	Mr Rowe
Mr Gavin	Mrs Setches
Mr Gray	Mr Sheehan (*Ivanhoe*)
Mr Harrowfield	Mr Sheehan (*Ballarat South*)
Mr Hassett	Mr Shell
Mrs Hill	Mr Sidiropoulos
Mr Hockley	Mr Simmonds
Mr Ihlein	Mr Simpson
Mr Jolly	Mr Spyker
Mr Kennedy	Mr Wilton
Mr Kirkwood	
Mr Stirling	
Mrs Toner	
Mr Trezise	
Mr Walsh	
Mr Wilkes	

Tellers:
Mr Micallef
Mr Seitz

NOES

Mr Austin	Mr McNamara
Mr Brown	Mr Maclellan
Mr Burgin	Mr Ramsay
Mr Delzoppo	Mr Reynolds
Mr Dickinson	Mr Richardson
Mr Ebery	Mr Ross-Edwards
Mr Evans (*Gippsland East*)	Mr Saltmarsh
Mr Hann	Mr Templeton
Mr Jasper	Mr Williams
Mr Kempton	
Mr Lieberman	
Mr McKellar	

Tellers:
Mr Leigh
Mr Steggall

PAIRS

Mr Hill	Mrs Patrick
Mr Remington	Mr Whiting
Mr Roper	Mr Kennett
Dr Vaughan	Mr McGrath

The motion for the third reading of the Bill having been agreed to by an absolute majority of the whole number of the members of the House, the Bill was read a third time.

STATE INSURANCE OFFICE (EXTENSION OF FRANCHISE) BILL

The debate (adjourned from May 24) on the motion of Mr Jolly (Treasurer) for the second reading of this Bill was resumed.

Mr RAMSAY (Balwyn)—The Bill will extend the franchise of the State Insurance Office. It was introduced to the House on Tuesday last week. Honourable members are now asked to debate a Bill which will make a considerable change to the status of the State Insurance Office in the general insurance world of Victoria.

The amount of time that has been provided for public exposure of the Bill has been far too short for any reasonable consideration of it by the many thousands of people who may be affected by its introduction. As recently as 17 May, which was only a few weeks ago, before the Bill was made public, the Insurance Council of Australia Ltd wrote to the Treasurer. The Bill had been read a first time two weeks previously but the second reading was delayed until 24

May. The Insurance Council of Australia Ltd was aware that the Bill was to be introduced and the chief executive wrote to the Treasurer on 17 May noting that the second reading was scheduled for 24 May and indicating the concern of the council. Mr Smith, the chief executive, stated:

> As you are aware, copies of the Bill are not available until the second reading and no details have been given other than that the general intention of the Bill is to extend the Franchise of the Government Insurance Office into general insurance.
>
> The proposed progress of this legislation through both Houses does not provide sufficient opportunity for interested bodies such as this Council to study the Bill and provide a comment to the Government on its ramifications.
>
> It is requested that the Bill be allowed to sit until the next sitting of Parliament to ensure sufficient time for comment.
>
> You will be aware that, prior to the last elections, Mr Cain advised this Council that whilst it was a Labor Government intention to allow the State Insurance Office to transact all forms of general insurance, this would be done on an equal footing with privately owned companies. The State Insurance Office, according to Mr Cain's letter, would be required to meet solvency requirements and where exempt from certain taxes, equivalent amounts would be payable to consolidated revenue. In addition to this, the position of General Manager would be separated from that of the Insurance Commissioner and it is hoped that these commitments have been adequately covered in the proposed legislation.

The insurance council reminded the Government of the undertakings given by the Premier, Mr Cain, before the last election. It did so before the Bill had been made public and before the council or any other interested person had the opportunity of studying it. As late as 24 May, the Treasurer replied to the insurance council, which was the day on which the Bill was read a second time. He replied:

> I have considered your views in relation to the passage of the legislation.
>
> Since the legislation meets the equal competition criteria set out in the Government's policy, I do not see any need to defer consideration of the legislation.
>
> I enclose for your consideration a copy of the legislation and my second reading speech which sets out the Government's intention in introducing the legislation.

The Treasurer dismissed the request of the Insurance Council of Australia Ltd for time to study the Bill, with the statement that in his opinion the proposed legislation "meets the equal competition criteria set out in the Government's policy" and that he saw no need to defer consideration of the Bill. This was without as much as giving representatives of the insurance industry a hearing and without even asking them to examine the measure and consider whether it meets the criteria of equal competition.

The Treasurer told the council that the Bill does meet the equal competition criteria and, therefore, nothing more could be said. He reminds me of the child who said to her father one day, "Why is it that when you say something it sounds as though there is nothing more to be said?"

The Treasurer is laying down the law to the insurance industry. He has said that he has decided to amend the legislation and will go ahead, not giving the industry time to consider the ramifications of the extension of the franchise on the private sector. He indicated that he was going ahead whether or not they liked it, and if shortcomings had been found on examination of the Bill he was not interested in knowing about them.

The Opposition regards that as a poor performance by the Government. On many occasions it has indicated its intentions to give proposed legislation proper exposure and to give interested parties a chance to discuss any particular points of view they may have about drafting the legislation. The Government has circulated some measures in draft form, even before bringing them into this House, but that is not the case with the extension of the franchise of the State Insurance Office. It makes me wonder whether they are concerned that public reaction to the Bill, when it is more fully understood, may not be favourable and to the Government's advantage so that it decided to go ahead willy nilly without providing more time to the industry.

Mr Jolly—It was explained during the election campaign.

Mr RAMSAY—An explanation during an election campaign or at any other time is one matter, while the actual drafting of a Bill is the factor that really matters because it is the Bill that becomes an Act of Parliament. People want to know the details of a Bill to understand exactly what its implications are.

I do not hesitate to state the Opposition's position. It does not support the extension of the franchise of the State Insurance Office. If the Government intends to extend the franchise, it is most important that the Bill lives up to its word and introduces competitive neutrality for the State Insurance Office. Competitive neutrality is not guaranteed by the Bill. It is incredible that the Government would contemplate introducing this Bill at a time when the fortunes of the private sector insurance industry are at an historic low. The latest figures on the general insurance industry for the year ended 30 June 1982 were released by the Commonwealth Insurance Commissioner only a month ago. They have revealed underwriting losses, not only in one area, but in every class of business for the direct underwriters and a total underwriting loss of $542 million. The trading loss after taxation and taking into account investment income on capital and reserves was a total of $75 million.

The insurance industry at present is not operating profitably and, as everybody recognizes, there is only a limited pool of premiums available in Victoria and, given the economic climate, the unleashing of State insurance on this market may well result in more job losses, which the Government has indicated it is keen to avoid. It seems that it is not concerned about more job losses in the private sector of the insurance industry, with a corresponding growth in the public sector with the extension of the franchise. The Insurance Commissioner, who is also the chief executive of the State Insurance Office, stated in the office's 1981 annual report:

> Underwriting to a loss is our policy to ensure cost price insurance.

I commend the commissioner for that statement. It is a sound statement in those areas of insurance where the State Insurance Office has conducted the majority of its business over the years. If the franchise of the office is to be extended and it continues with its policy of underwriting to a loss to ensure cost price insurance, where will that leave private enterprise?

The ACTING SPEAKER (Mr Kirkwood)—Order! The time appointed by Sessional Orders for me to interrupt business has now arrived.

On the motion of Mr FORDHAM (Minister of Education), the sitting was continued.

Mr RAMSAY (Balwyn)—That basic philosophy of underwriting to a loss to ensure cost price insurance obviously cannot be sustained across the whole field of insurance, and the State Insurance Office will have to change its philosophy if the Bill is passed. To introduce this new, large competitor with a number of special advantages that no private insurer could hope to have will put many persons in the industry in a situation that can be described only as economically dangerous. I will deal further with those unfair advantages in a moment.

The State Insurance Office was established for good and proper reasons, and it has a creditable track record. It has specialized in workers compensation insurance and compulsory third-party insurance for motor cars and has conducted some business in the general area of motor car insurance. The reason for its establishment was clear: There needed to be a Government insurance office to meet those areas of insurance where citizens had a statutory obligation to take out insurance policies, as happens in workers compensation. Every employer has a statutory obligation to take out a workers compensation policy, unless he has received exemption as being self-employed. If there were no State Insurance Office, circumstances could arise under which an employer would find it impossible to persuade an insurance company to underwrite his risk.

The State Insurance Office Act specifically spells out the first function of the Insurance Commissioner as being:

> to enable employers to obtain policies of accident insurance or indemnity indemnifying them against their liability in relation to workers compensation under the Workers Compensation Act 1958 or any other Act or at common law and to be an approved insurer for the purposes of the said Act.

A further function is spelt out in similar terms:

> to enable the owners of motor cars to obtain contracts of insurance as required by the provisions of Division 1 of Part V. of the Motor Car Act 1958, and to be an authorized insurer for the purposes of the said Part, and to enter into contracts of insurance generally in relation to motor vehicles.

Those are two areas of compulsory insurance determined by Parliament. Where a

requirement of compulsory insurance is imposed, there needs to be a Government office to underwrite when necessary. That is the real reason for the existence of the State Insurance Office and it is interesting to consider the consequences of the proposed amendment on the functions of the Insurance Commissioner.

No longer will the words "to enable employers to obtain policies of accident insurance" be included in the Act. They are to be repealed and replaced with a general function "to underwrite and carry on in Victoria or elsewhere the general business of insurance", including various classes of insurance. The present Act imposes an obligation on the State Insurance Office to make policies available to employers, and that obligation will no longer exist.

That raises an interesting point. If an employer is working in an industry that has a bad accident record so that private insurers tell him that his claim experience is such that they no longer want his business and he cannot find an insurer to underwrite his risk, the State Insurance Office will no longer be obliged to help him. Under the present legislation, that office has no right to refuse to insure anyone, but in future it will be able to do so.

That office should also be there as an insurer of last resort in cases where private insurers are not prepared to underwrite the risk. That is one area of that office's responsibility, and it was the key justification for the State to move into an area of private enterprise. One thing that has been proved time and again is that private enterprise is more effective and more efficient and provides a better service than any public enterprise can ever hope to do. Case after case illustrates that argument in many fields of human endeavour.

Another curious feature of the State Insurance Office is that the office itself is not incorporated. Under the State Insurance Office Act, the incorporation actually rests with the Insurance Commissioner. Section 5 provides:

> The Insurance Commissioner appointed under this Act and his successors in office shall subject to this Act be and continue to be a body corporate under the name of the "Insurance Commissioner"...

That puts the Insurance Commissioner in a special position. Not only is he, in fact, the body corporate of the State Insurance Office, but he also has other roles in the Government area, in terms of responsibilities that relate to the approval of insurers to carry out workers compensation business and a specific role in respect of compulsory third-party insurance in the motor vehicle area. Those roles conflict in many ways with his responsibility as being the State Insurance Office. The Bill does not address those problems.

The Bill proposes that the State Insurance Office shall undertake and carry on, in Victoria or elsewhere, the general business of insurance, including any form of insurance for the time being undertaken or carried on.

That general definition of insurance is further illustrated in sub-clause (2) which states that insurance includes assurance, additional insurance, treaty internal insurance, reinsurance, guarantee, surety and so on.

The Bill is giving the State office, which had this specialized franchise up until this point, an open go on all general insurance—as the Premier indicated to the insurance council before the election to be the intention of the Government—as well as a much wider area to include life assurance as well. The State Insurance Office can go into any field of insurance it chooses, or in which the Government may encourage it to go.

A number of safeguards have been written into the Bill to ensure free and fair competition. The Treasurer pointed this out to the House when the Bill was introduced. The safeguards in themselves certainly point in the right direction but several offices are required to pay taxes in the same manner as any private insurer would have to pay or, if these taxes are not leviable for some constitutional reason, to pay an amount equivalent to the tax that would have been paid had the office been a private insurer.

There is a requirement for it to meet the solvency provisions of the Commonwealth Insurance Commissioner as imposed from time to time on the insurance industry. The concern of the Opposition is that the safeguards are more than offset by the obvious inadequacy of many of the provisions of the Bill. If the safeguards are to be meaningful, there must be a state of competitive neutrality between the State Insurance Office

and the various private insurers that may be in the market at any time. On a close examination of the Bill, one realizes that competitive neutrality is not there.

I draw attention to chapter 31 of the Campbell committee report on the Australian financial system published in September 1981. Chapter 31, which is entitled "State Government Insurance Offices", gives a succinct and logical analysis of the problems that beset the State Government insurance offices, and any attempt to achieve what the Campbell committee itself termed "competitive neutrality" between that office and other insurers. The conclusion the Campbell committee reached was simple:

> All this suggests that there is a strong case on efficiency grounds for the sale or winding up of existing State Government insurance offices. Nonetheless the committee recognizes that State governments attach considerable weight to the social role being filled by State Government insurance offices in the general provision of insurance, particularly those classes of compulsory insurance in respect of which normal market premiums are considered inappropriate.

The reference there is quite specifically to compulsory third-party insurance in Victoria. The chapter continues to look at the issues of competitive neutrality and points out the four areas where this is hard to achieve. The first area is where the State office can receive preferential access to some areas of insurance business. The second is the very fact of Government ownership and the Government guarantee that goes along with the State office and gives the State office an unfair competitive edge. The third area is the freedom of requirements of Commonwealth insurance and other legislation that some State offices enjoy, and the fourth area is the freedom from certain taxes and charges.

We have already noted that the Government has taken steps to ensure that, from time to time, certain taxes and charges are compensated for in a competitive sense. The Commonwealth Insurance Commissioner's solvency requirements have also been laid on the office by this Bill. The squabble of the Opposition with the Government is not in those areas.

What is being done to ensure that there is not preferential access to some areas of insurance business for the State office? The Campbell report had some interesting comments to make in this area. Paragraph 31 (12) states:

> It is claimed that, for social or other reasons, State Government Insurance Offices have tended to set non-commercial rates for certain classes of insurance, and have been given exclusive selling rights.

The report quoted the example of workers compensation in the West Australian mining industry. The report continues that such action may be influenced by a range of social considerations, the details of which I do not need to bring to the attention of the House.

The conclusion the committee drew was that there are areas of insurance where the Government would want to do something special, such as the example they gave in Western Australia and the compulsory third-party insurance in Victoria, where the premiums are determined by the Government and they are not the competitive premiums that would develop in the outside market.

The Campbell committee suggested that, to enable the competitive position of State Government insurance offices to be properly assessed on an ongoing basis, the commercial insurance activities of State Government insurance offices should be recorded separately from those activities in respect of which, for social or non-commercial reasons, they may wish to maintain a State Insurance Office monopoly or premium rates below those obtaining in the free market.

That seems a sensible suggestion. In the Victorian context it means that that part of the State Insurance Office dealing with the compulsory third-party insurance, which is not genuine insurance in terms of premium calculation, should be separated from general insurance business.

Is there any indication in the Bill that that will happen? No, the Government has not taken that point into consideration at all. I suggest to the Minister that he should have done so. The fact that he has not means that he could be delaying speaking to the industry on that point.

The second area to which I draw the attention of the House is the existence of a Government guarantee. This is set down in the State Insurance Office Act. It is specifically written into section 15 that the activities of the State Insurance Office are

guaranteed by the Government. That, as much as anything, must remove this competitive neutrality which we are trying to achieve.

Mr Ross-Edwards—You are saying it is impossible to have.

Mr RAMSAY—The Campell committee came up with this suggestion on this point. I will not go into details, but if honourable members care to read page 516 of the report, they will find the details. The question can be stated succinctly. State Government insurance offices should pay an appropriate fee to offset the marketing advantage associated with their Government ownership. There are examples of that appropriate fee being used to offset the marketing advantage.

The Treasurer may be very interested in this matter but it is a pity that this Bill, which was introduced allowing only ten days for the industry, the Opposition and the community to look at it before it is rushed through the Parliament, does not mention an appropriate fee being used to offset the marketing advantage.

The Treasurer is interested in this type of proposal but a real rate of return on a competitive insurance company would make a great deal more sense than the real rate of return he is trying to put on public authorities such as the Board of Works or the State Electricity Commission. There is room for a real rate of return but there is nothing about that in the Bill.

These are the inadequacies so far as competitive neutrality is concerned and what appears from an examination of the Campbell report. So far as the Bill and the Victorian situation are concerned, there are two other inadequacies the Campbell report does not cover.

The Bill makes provision for the State Insurance Office to be exempt from the Freedom of Information Act. There is probably good and proper reason for that. If the State Insurance Office is going into the competitive world, it would not want to be subject to unfair exposure of private and confidential information, *vis-a-vis* its competitors in the industry. Given that position, the Government provides the State Insurance Office with a cloak of secrecy around its activities that may be equally unfair to other competitors in the insurance industry. This area needs much closer examination by the Government and by the industry. It is another reason why the Bill should not be pushed through with such haste.

Perhaps the greatest inadequacy and the one that concerns me most is the role of the Insurance Commissioner. I say this with due regard to the present incumbent of that office. I have known the present Insurance Commissioner, Mr L. W. Carver, for several years. I worked with him during my time as a member of the previous Government and I have a high regard for his competence and integrity. Anything I say about the role of Insurance Commissioner is not personally directed at Mr Carver. With the expansion of the State Insurance Office, I believe the Insurance Commissioner, under the present legislation, will be put into an impossible position.

At present, the Government relies heavily on the Insurance Commissioner who not only conducts the affairs of the State Insurance Office, but keeps a general overview of insurance in Victoria, particularly so far as workers compensation insurance is concerned. As the chief insurance officer of the Government, the Insurance Commissioner is required to advise the Government on whether private insurers should be approved for the purposes of the Workers Compensation Act. This means that the Insurance Commissioner calls for detailed information from various insurers, not only about their workers compensation business but also about their total insurance business, so that the Insurance Commissioner can form a view on the security and solvency of that company. The Insurance Commissioner also examines to ascertain whether the level of reserves of the company will cover unexpired claims.

The total stability of every authorized insurer for workers compensation purposes has to be under the scrutiny of the Insurance Commissioner. If the Insurance Commissioner is a major general insurer, as proposed by the Act, and yet he has the responsibility of surveying a large number of his competitors—there are over 70 workers compensation insurers in Victoria—there is an obvious conflict of interest. It could be argued that that conflict of interest has existed in the past. I believe it was not nearly as important so long as the State

Insurance Office was operating with a restricted franchise.

The Bill should not proceed without this potential conflict of interest being resolved. That is why, as a reasoned amendment, 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 redrafted to make provision for the separation of the functions of the Insurance Commissioner in relation to the approval of the Workers Compensation Insurers, the Premiums Committee and Compulsory Third Party Insurance from his responsibilities in relation to the State Insurance Office."

Honourable members interjecting.

Mr RAMSAY—I am encouraged by the levity on the Government benches because it is the Government benches I am speaking to tonight. Members of the Government benches need to consider this point very seriously because it seems the Treasurer has not done so.

Prior to the election, the Premier indicated that this matter was going to be considered, but when the Bill was introduced by the Treasurer there was no mention of the separation of the functions of the Insurance Commissioner. In these matters of general concern to the Government, it is not only workers compensation that is affected, it is also the Premiums Committee and the compulsory third-party insurance area where this potential conflict of interest arises.

These functions should be separated. I hope that the reasoned amendment will be adopted by the House so that additional time can be given and the Government can recognize that the Bill should have included provision to cover these conflicts.

So far as the other matters I have outlined are concerned, there is obviously not enough time to consider them properly under the legislative programme set by the Government. I am happy to report that the Treasurer has indicated to me privately that he will provide an opportunity for a conference while the Bill is between here and another place to consider some of these other points and to give the industry and other interested parties at least some time to put submissions to him. It is scarcely an adequate time-table but at least it is something. As a result of that conference it will become clear to the Treasurer that more time is needed and perhaps, at that stage, the honourable gentleman will be prepared to make more time available.

I would prefer that the Government accepted the reasoned amendment so that the Bill could be taken away and revised. Now that it has received public exposure, the Bill should be withdrawn and tidied up, not only on the point of the separation of the powers of the insurance companies, but also on the other points raised by me tonight.

If the Treasurer is serious about wanting to achieve competitive neutrality for the State Insurance Office in the field of general insurance, the honourable gentleman will have to do a good deal better than the provision that has been included in the Bill.

Mr ROSS-EDWARDS (Leader of the National Party)—The National Party supports the principles set out in the Bill. It extends the franchise of the State Insurance Office to both the general and life fields of insurance. The office has a distinguished history; it dates back some 70 years and has served the State well during that time.

Unlike my Liberal colleagues, I do not support the mandate theory. That theory is convenient for the Liberal Party. The National Party supports the Bill not because of the mandate argument, but because it has long been a policy of the party.

My memory goes back to the 1970s when the Honourable Clyde Holding was the Leader of the Opposition. He was not a distinguished economist, and every time he made a speech on the Budget, he made only two suggestions. One was to extend the franchise of the State Insurance Office and the other was to extend the activities of the State Savings Bank, as it was then known. He put forward the theory that no more financial problems would exist if that were done and I hope that satisfies the Treasurer. I do not have the highest regard for the economic ability of the Honourable Clyde Holding, the present Federal Minister for Aboriginal Affairs.

The State Insurance Office and the State Bank have similar backgrounds. They are both Government instrumentalities and both have been tremendously handicapped by Liberal Governments in Victoria. The

dreadful decision made in the past regarding the State Bank was that the Bolte Government refused to give the bank the right to enter into trading activities and general banking business when trading banks received the right to carry out savings activities. A tremendous opportunity was lost and the bank did not achieve the strength and earning capacity for Victoria that it may have achieved.

The subsequent Liberal Government saw the error of its ways and changed its policy. It gave the State Bank the opportunity of competing on an equal and fair basis.

Mr Jolly—We all supported that.

Mr ROSS-EDWARDS—That is true, but the Liberal Party was 30 years late.

Mr Williams—Better late than never!

Mr ROSS-EDWARDS—If that is the attitude of the Liberal Party, it explains why it is currently in opposition.

I have put forward arguments in this House time and again about the State Insurance Office. Previous Governments had two options; one was to enlarge the franchise and the second was to get rid of it. The Liberal Party had many opportunities to get rid of the State Insurance Office if it wanted to. However, it went halfway and did not let the office compete.

The honourable member for Balwyn said that it is unfair competition. I agree with some of his arguments; it is unfair, but I point out that the State Insurance Office has been operating under a disadvantage for many years. I support the views put forward by the honourable member for Balwyn that before the proposed legislation is passed—and there will be a few alterations to it—it must operate on an equal basis.

I have a high regard for the private insurance industry in Australia. It has served this nation well in the past and is currently going through a difficult time. The difficulties have not occurred only during the past few months; they have existed for the past seven or eight years. I do not wish to do anything to weaken the private insurance industry, but there is a place for the State Insurance Office, as there is in every other mainland State in Australia. Free enterprise Governments have set up State insurance offices; if they have not set them up, they have encouraged and expanded them.

As to unfair access, I accept that criticism. I do not know how one gets rid of Government guarantees. The honourable member for Balwyn put forward a suggestion and it seemed to appeal to the Treasurer. He saw the chance of an added tax if a Government guarantee were obtained. However, that tax would be much fairer than the one imposed on the State Electricity Commission.

Further proposed legislation will be introduced to set up the corporate structure of the State Insurance Office. It will need to operate as a private company does. It will need a board of directors, a part-time chairman and part-time directors, and must have an independence from Government and a capacity to bring in businessmen who can provide added efficiency to the office.

The point made about the Insurance Commissioner is a valid one. It is an intolerable situation that the Insurance Commissioner should also be the Chief Executive Officer of the State Insurance Company. A change must occur before the proposed legislation is proclaimed. It is quite wrong that the State Insurance Office should be engaged, even for one day, in extended franchise and have the Insurance Commissioner as its Chief Executive Officer.

I hope the amendment proposed by the honourable member for Balwyn will not need to be pursued. I agree that the strength of free enterprise parties in another place could be enough persuasion to bring about the express intention of the Treasurer. The honourable gentleman has made it quite clear, in prior discussions and by interjection, that he realizes a separation of responsibilities must occur. The separation must occur before the extended franchise comes into operation.

It is interesting to note the three main roles of the State Insurance Office. One is workers compensation, where the office has competed with other private companies. Another role is motor vehicle compulsory third-party insurance, where it used to compete, but all other companies died away. Those honourable members who are a little older than some can remember the long list that appeared in the motor registration documents.

Mr Roper—You do not have to be that old.

Mr ROSS-EDWARDS—Perhaps not, but I can remember when it covered a full page. It gradually decreased. Finally, the State Insurance Office had to carry out this very necessary obligation on its own because private companies, for their own reasons, did not wish to continue to be engaged in this field because of the cost involved, and so on. Of course, since 1941, the State Insurance Office has been engaged in the general area of motor car insurance.

I make the point, and I do not know whether the Treasurer is aware of it, of the unsatisfactory situation in Victoria where some forms of insurance are almost impossible to obtain. Two or three years ago, the sideshow guild came to me about its endeavours to get a public protection policy. A normal business in a normal sense, a business that had to have the protection, a reputable group of people operating under the strict controls of the Health Commission, could not obtain insurance at any price. These were men with a good safety record and business policy. A deputation came to me and I used my best efforts to assist them. It was frustrating that they could not get cover anywhere, including the State Insurance Office.

Mr Roper—The State Insurance Office could not cover them.

Mr ROSS-EDWARDS—I stand corrected—the State Insurance Office could not cover them. Like other insurance companies, the State Insurance Office does refuse to insure people. It will not do business with anyone who is considered a bad risk. It is a business organization, and I do not challenge that, but it is unusual when people cannot get any insurance at any price. This should be considered because I believe the State Insurance Office should have the role of the last line of insurance and the premiums that people are required to pay will have to be levied accordingly.

The other group that cannot obtain insurance includes some motor car drivers. Before they are refused insurance, I would hope that there would be a very good reason for the refusal, especially from the State Insurance Office.

The honourable member for Balwyn mentioned that a conference is being organized after discussions between the honourable member for Balwyn, the Treasurer and myself on insurance interests. I hope it will be held next week, probably Wednesday. It will give an opportunity to the industry to put forward their objections, their worries and their problems and I am sure that the honourable member for Balwyn, the Treasurer and I will be better informed.

I admit to being surprised and somewhat disappointed at the lack of representation that has come forward from the insurance industry, both general and life. The representation from these areas to the National Party has been minor.

Mr Richardson—That is because they do not think that you will do anything about it.

Mr ROSS-EDWARDS—On the three very important legislative measures debated recently—industrial relations, liquor and firearms, which may not be of the same importance but they have important consequences for those industries—the National Party has received hundreds of representations, yet it has not had nearly the same number of representations on this Bill from the insurance industry. I admit that the general view of the industry is that this is Labor Party policy, it is going to be passed and that they can do nothing about it. I understand that view, but it is silly because the proposed legislation needs amending.

A lot of work must be done to this Bill between its passage from here to another place and I am looking forward to joining the honourable member for Balwyn and the Treasurer next week and taking part in that work. I hope we will be able to get some enthusiasm into the insurance industry for that industry to also make a contribution.

I suggest that the honourable member for Balwyn does not persist with his amendment. I agree, and I think the Treasurer agrees, with the sentiments expressed. Perhaps what the honourable member is proposing can be done more effectively in the time between the Bill going from here to the other place and in the other place, and I give an undertaking that the National Party will work and use its influence to improve the Bill to ensure that unfair competition does not occur between the State Insurance Office and the private insurance sector.

Mr HARROWFIELD (Mitcham)—Along with the majority of Victorians, I welcome the Bill. It has been a long time coming and the Labor Party and the new

Government has long advocated the extension of the franchise of the State Insurance Office. The proposed legislation deserves total support. The remarks of the honourable member for Balwyn can be contrasted with the contribution of the Leader of the National Party, which was a considered and responsible reply.

The honourable member for Balwyn did not have his heart in the criticism he made of the Bill. He spoke of consultation. Each time a Bill is introduced in the House, the Liberal Party offers criticism on consultation. Apparently, the Liberal Party has just discovered consultation since it became the Opposition, because it did not know much about it in the 27 years that it was in government.

Mr Burgin—We did not rush important Bills through, either.

Mr HARROWFIELD—I remind the honourable member for Polwarth that there has been no subject more strongly debated over the years than the extension of the franchise of the State Insurance Office. It has been raised in the House on many occasions, it was canvassed in the electorate, and it has the support of the people of Victoria.

The honourable member for Balwyn spoke of complete neutrality. He did not explain what he meant and I am not sure whether he knew what he meant. If he had read the Bill correctly, he would have perceived that it does enshrine the concept that the State Insurance Office should compete on equal terms with other insurance firms. That is written into the objectives in clause 2 which speaks of supplying comprehensive insurance services to the public on a competitive and fully commercial basis, and talks of the provision of a commercial yield and efficient, low cost insurance. In other words, the Bill seeks to put the State Insurance Office on the same basis as private sector firms.

The honourable member spoke of loss of jobs. It is quite the contrary. Extending the franchise of the State Insurance Office will generate more income to the public sector and will contribute through that to an increase in investment projects with which the State Insurance Office can become involved.

The most curious criticism of the honourable member for Balwyn was that this was a new competitor in the field of insurance. I always thought that the Liberal Party advocated free enterprise and free competition, but apparently it is frightened of competition on an equal basis from the State Insurance Office. As the Leader of the National Party said, the State Bank has been allowed to compete with other private sector banks—where is the difference?

The honourable member did not talk about the advantages of the State Insurance Office over other private sector firms.

He admitted that the State Insurance Office has had a good track record, but then went on to say that the private sector was efficient and that therefore there was no point in the office trying to enter the field. If the private sector is as efficient as the honourable member for Balwyn suggests, it has nothing to fear from the State Insurance Office entering the private sector. It all gets back to the point that the Liberal Party is prepared to support the concept of the office being socialized, but is not prepared to accept the notion of it being involved in more profitable areas of the insurance business.

When examining the Public Accounts Committee report of 1974, I could not understand why the Opposition has had such a turn around on this issue. That was an all-party committee report, including a majority of Liberal Party members, which supported the extension of the franchise of the office.

The honourable member for Balwyn also mentioned that the office should be an insurer of last resort. I presume that means that the honourable member for Balwyn would support the withdrawal of the State Insurance Office from such areas as comprehensive insurance, because it is already actively competing with private sector insurance companies in those sorts of areas.

The Government party has long been an advocate of extending the franchise of the State Insurance Office. For too long, the office has been confined to involving itself in the less profitable and less lucrative areas of insurance. The honourable member for Balwyn also pointed out that the office has been a provider of workers compensation insurance. I point out that it has also been

engaged in motor vehicle insurance, including both compulsory and comprehensive third-party insurance, and it has been most successful in providing that sort of insurance to the people of Victoria. There is no reason why the restrictions should continue to be imposed on that office. Overwhelming public support exists for what is being proposed in the measure. There is a general expectation in the community that the State Insurance Office should be providing insurance in areas such as household insurance, including contents insurance.

I could speak of a number of representations that have been made to me, and I am sure that would be repeated in other electorates, by people saying that the franchise of the insurance office should be extended so that it can compete in these areas of insurance. It is intolerable that a body that is capable of generating as much benefit to the State as is the insurance office should be so restricted. It reflects the total bias of the Liberal Party for private enterprise, and that bias was proven in the way in which it mishandled the public sector of this State when in government.

There are many good and sound reasons for seeking to extend the franchise. The most important is the responsibility of the office to provide for the consumers of Victoria. One of the reasons that the insurance office has not been able to maximize its business is that it has been unable to offer a one-stop insurance service to its clients. It has been totally hamstrung. The measure will enable the office to offer a broader range of services so that it will be able to increase its share of the market.

The Opposition has not explained why Victoria should be disadvantaged compared with other States. It has not explained why it is all right for the New South Wales or the Queensland State insurance offices to provide all forms of insurance, or why it is all right for the Tasmanian Liberal Government's State Insurance Office to provide all forms of insurance, except for life insurance. The same applies to the experience of South Australia, where the State Insurance Office also provides all forms of insurance, except for life insurance.

Victoria has long been disadvantaged by having an insurance office that has had shackles placed on it by previous Governments. By allowing the extension of this franchise, Victoria will benefit. A great deal of revenue goes into the Consolidated Fund through the office because of the requirement for that office to pay an amount equivalent to what it would have had to pay to the Commonwealth Government. By the office being able to involve itself in the more popular forms of insurance, it will increase the contribution to the Consolidated Fund. I suppose members of the Opposition will then jump up and say how that money ought to be spent in their own electorates. It will provide an additional boost to investment protection in this State.

The State Insurance Office is a major contributor to investment in capital works in this State and that will be added to by allowing the office to enter the market in a more competitive way. It will also stop the flow of insurance money out of this State. It was also mentioned that the office will have some advantage. However, the honourable member for Balwyn was not prepared to explain that to the House. He had obviously not read the Bill. It is written into the measure that the office must operate on a competitive and fully commercial basis and that it has to pay rates, charges, taxes, sales tax an so on in the same way as companies in the private sector must pay them. It is also written into the measure that the office must comply with the solvency margin requirements and with Commonwealth laws in the same way in which the private sector firms must comply with them.

The Treasurer has indicated that the State Insurance Office will submit statistical returns in the same way as the private companies are required to do. Also the office will be subject to the Trade Practices Act in the same way as private companies. It will also be required to pay for any service provided to it by other State or Federal Government departments or agencies. Where is the advantage that the office will have compared with the private sector? As the Treasurer pointed out in his second-reading notes, the measure will ensure that the office competes on a fair and commercial basis with other Victorian insurance firms. I welcome the improved reporting requirements that are provided in the measure.

As a member of the Economic and Budget Review Committee, which has just completed its review of the Audit Act, I believe it is important to ensure that we come to

grips with the important issues of increased accountability in the Victorian public sector. The provisions of the Bill go a long way to improving accountability by setting objectives for the State Insurance Office and by setting out its functions. That will ensure greater scrutiny, accountability and better reporting services for the office. This is a landmark piece of proposed legislation. It has been a long time coming, but it will enable a major public body in this State to compete with the private sector on a fair basis. It can only be to the benefit of the consumers of this State and to the benefit of the public sector. It will provide improved insurance services in Victoria once this franchise is broadened. I commend the Bill to the House.

Mr WILLIAMS (Doncaster)—I rise principally to tell the Leader of the National Party that, contrary to what he believes, the insurance industry in this State is in a disastrous condition. I draw the attention of the House to an article that appeared in the *Australian Financial Review* of 4 March this year, which states:

> The Australian insurance market has emerged as the worst in the world according to figures published by the Australian Insurance Association.
>
> The association also found that the disastrous state of the local industry in recent years, has led to a further reduction in the level of Australian ownership and control of the insurance market.

In other words, the multi-national companies, which the Labor Party is always screaming about, are pushing good local insurance companies out of business because the local companies do not have either the financial reserves or the profit margins to compete. The State Insurance Office will be another monster that will compete with local insurance companies and force more of those companies into bankruptcy.

It is all very well to be theoretical in this world, but the Bill is an extension of Labor Party dogma—the pledge of the Labor Party to socialize the insurance industry.

It is the height of absurdity to try to rush this Bill through the Parliament when there is a serious decline in the economy. There is only one consolation, and that is, every few years the voters, especially the young people, can learn what a Labor Government is by voting one into office.

I assure the voters who supported the Labor Party—as the honourable member for Mitcham said, so it could socialize the insurance industry—that they will quickly learn by practical experience what that means. The Labor Government will drive out private insurance companies that have served this country very well since its inception.

Contrary to what has been suggested by the Government, even the State Insurance Office is in a grave financial condition. The last annual report of the Auditor-General pointed out that, had proper accounting principles, namely, proper recognition of future investment income, been adopted in assessing the financial operations of the State Insurance Office, it would have lost $300 million. What a financial burden for the people of Victoria to carry!

It is my belief, contrary to what the Government may think, that that loss will grow. By cooking the books, the loss that was revealed to the people of Victoria was only $130 million, but that was a large enough loss.

I repeat: The insurance industry in this State, and indeed in Australia as a whole, is in a parlous condition. It is a parody of prudence and a satire on sense. In the last report of the Commonwealth Insurance Commissioner for the year ended December 1981, it was noted that there had been a marked and worrying drop in the solvency margins of insurance companies. The Commonwealth Insurance Commissioner reported underwriting losses of $429 million. That was an enormous loss for the insurance sector, which includes the State Insurance Office. This year insurance losses in this country will be approximately $500 million, due mainly to the effects of depression, drought and disaster.

According to insurance industry sources, rate cutting is rife in the industry. It has become so bad that commercial and industrial insurance rates are only about half what they should be. If members of the Labor Party believe the State Insurance Office will reduce insurance premiums, I have news for them. There is no way insurance premiums will be reduced in this State.

It is all very well for the buccaneers of the insurance industry, the Kerry Packers, the Lion insurance broking company and its paid world cricket advertisers, to cut a merry

swathe through the competitive rates of private insurance companies. There is no way one will achieve solvency and sanity in the insurance industry if brigands at the bottom end destroy completely reasonable stability in the industry.

In the past twelve months or so, workers compensation premiums have climbed by as much as 300 per cent in a number of industries because of cost factors, namely, considerable increases in accident rates and considerable rises in salaries. In the past twelve months or so domestic insurance rates have risen by 100 per cent.

According to the annual report of the Commonwealth Insurance Commissioner, there has been a sharp drop in the number of companies with an assessed solvency margin greater than 30 per cent. Under the Commonwealth Insurance Act, solvency margins should be approximately 15 per cent. I might say, solvency is having enough premiums or assets in reserve to meet one's commitments.

The number of companies with a solvency margin of between 5 per cent, which is grossly too low, and 30 per cent, has almost doubled in the past year. The reasons are the fall in the value of their investments on the stock exchanges and in the property market and the erosion of reserves because of competitive price cutting.

I appeal to the Treasurer to ask his staff to do a bit more homework into the parlous state of the insurance industry and not to push a lot of sound companies to the wall because of increased competition from the State Insurance Office.

Due to the economic difficulties of the industry, there have been a number of forced amalgamations. Overseas companies have taken over local, Australian-owned companies and there have been some serious collapses, such as occurred with the notorious Palmdale Insurance Company.

Of the $4573 million worth of general insurance business generated in 1981, Government insurance offices grabbed 30 per cent. The great State Government Insurance Office in Queensland and the one in New South Wales——

Mr Fordham—How did they grab it?

Mr WILLIAMS—Socialist enterprises if ever they were. The rest of the insurance field is worth approximately $3200 million, which is shared by approximately 200 authorized private sector insurers.

The State Insurance Office has been left with the great disaster area of workers compensation insurance. In 1981, workers compensation premiums totalled $735 million. However, for every $100 collected by the insurers, they paid out $124. What sort of a business is that for the State Insurance Office when, on every $100 of premium income, it loses $24? It paid out $124 in claims and another $22 in general expenses. All told, insurance companies lost $256 million on workers compensation insurance in 1981.

There is no pot of gold. There will only be further burdens on the economy of this State and further losses for the Government of this State through the enlarged franchise of the State Insurance Office. If the Deputy Premier believes other sectors of insurance are going to make profits for the State Insurance Office, I have news for him.

Other big losses were incurred on car insurance, $18 million; fire insurance, $465 million; household policies $41 million and public liability insurance, $24 million. These are Australian figures which apply *pro rata* to Victoria.

There is no doubt in these depressed days that the industry has been severely hit by arson and burglary. I know you will not let me speak at any great length about organized crime, Mr Speaker, but believe me, organized crime has reared its ugly head in the insurance industry.

Abe Saffron's "torch" has become part of the folklore of the disasters of arson and enormous fires in this country. Even in the fast food industry, the spate of fires has resulted in a situation where insurance companies have stopped writing policies. Incidentally, since they have stopped writing policies, the fires have stopped. I therefore recommend to insurance companies, as a general preventative of arson, that they should stop insuring the shady end of the market.

The incidence of fraudulent crimes has trebled over the past three years and that has been associated with the rise in organized crime and the downturn in the economy. I ask the Leader of the National Party to have a long talk with Mr Rodney Smith, the director of the insurance council, next week because he might learn a few things

about the council and the state of the insurance industry.

I am an old-fashioned Liberal and do not willy nilly knock Socialist enterprises and there is no doubt that Socialist enterprises have served this State well. I instance the State Bank, the railways, despite their appalling losses, and the State Rivers and Water Supply Commission, which of course was started by the greatest of all Liberals, Alfred Deakin. I am not here to knock Socialist enterprise. I believe in a mixed economy but we should be engaged in Government enterprises only to ensure that there is fair competition in the market.

I am in a dilemma with the State Insurance Office which has had the worst end of the market in worker's compensation and motor vehicle insurance. I understand what the Treasurer is on about. He wants to reduce the appalling losses by acquiring what he thinks are some of the money earning sides of the market, household insurance and the like. However, unfortunately he will throw the State Insurance Office in with the sharks. This is a very tough competitive industry and I doubt very much that the State Insurance Office will be able to reduce its over-all loss, which represents about $300 million on proper accounting practices, by intervention into the other fields and competing with the private insurance offices. They have been operating too long. They are associated with the toughest entrepreneurs in the free world and they will bash the State Insurance Office into the ground if it makes life too tough for them.

I urge the Treasurer not to proceed with the Bill until the spring sessional period, to have detailed talks with the people in the industry and to reassess the whole situation to ascertain whether he can produce for the Parliament a Bill that will help the State Insurance Office but will not put it in a situation where it is seen as a severe threat to the private companies and in retaliation they really engage in cut-throat competition, not fair competition, because if it is cut-throat competition, the multi-nationals will teach this Labor Government a thing or two. I know that it had to bail out International Harvester Australia Ltd the other day. It will be bailing out a lot of multinational disasters if it continues in this concept of bailing out unsuccessful organizations.

Mr ROWE (Essendon)—The first point to which I refer is the comment made by the honourable member for Balwyn that the private sector is more efficient than the public sector in this area, without providing any statistics to the House. In respect of insurance offices throughout Australia, the ratio of expenses to assets is 29 per cent for the private sector and 14·9 per cent for the public sector. I lay to rest immediately the fallacious argument that the public sector insurance offices are inefficient. There is no evidence in Australia or this State to support that argument. The reverse is the case.

The Treasurer should be congratulated for bringing in this Bill. The Leader of the National Party scoffed at the concept of a mandate, but I remind the House that for over a decade in debates in this Chamber the Labor Party has put forward an argument for the extension of the franchise of the State Insurance Office. In 1979 the then shadow Treasurer moved a motion for the tabling of the report of the Insurance Commissioner in those terms, to extend the franchise of the State Insurance Office. When the Bill was introduced in 1975, the Labor Party moved a reasoned amendment to provide for the extension of the franchise for the State Insurance Office. In speaking to that Bill the then Leader of the Opposition, Mr Clyde Holding, indicated that in his twelve years in Parliament he had annually moved an amendment to extend the franchise of the State Insurance Office. It is clear that the Labor Party had a mandate to proceed with this Bill. I remind the honourable member for Murray Valley, who is interjecting, that he was a member of a Select Committee of this House which came down with an all-party recommendation to proceed in the way that the Government is now proceeding.

The arguments put forward by the Opposition are not valid. The Bill ensures that the State Insurance Office will be totally competitive and totally commercial in its operation. The various clauses require the State Insurance Office to make a payment to the State Government in lieu of State stamp duty and charges and in lieu of Commonwealth taxation. There will be no competitive advantage. Clause 3 provides that the Minister does not have the power to direct the office to engage in any insurance that would put it at a commercial advantage or a commercial disadvantage. It is also

worth taking the opportunity of pointing out that an insurance office run by the Government will be of important economic benefit to the State, in that currently the State Insurance Office has assets and investments in excess of $1 billion in this State, of which $135 million has been invested in the current financial year. The range of investments is varied and extensive and covers investments right throughout the State.

I will not go through all the investments from the portfolio for the current year, but in the Ballarat area there is a proposal for a shopping centre, in which the State Insurance Office is engaged, and it is of the order of $4 million. In the Morwell area there is a proposal for a shopping centre with a mortgage of $5 million. In the Wangaratta area, there is a proposal for a shopping centre for K Mart (Australia) Ltd, and a mortgage by the State Insurance Office for $6·2 million.

The State Insurance Office makes a significant contribution to the economic well-being of the State. The majority of insurance handled in Australia is by overseas-owned companies, and only 21 per cent of the business handled in Australia is handled by Australian-owned companies. Therefore, the extension of the franchise of the Victorian State Insurance Office will attempt to reverse that and provide more benefits to Victorians.

A Government insurance office has some opportunity to control the level of premiums and also to compete in the market-place in terms of quality to consumers. Argument has been heard today in relation to the rights of private enterprise, but very little has been said about the rights of consumers. Surely they should be entitled to the benefits of quality insurance at the lowest possible cost.

The State Insurance Office has received 1600 inquiries over a six months' period from people wishing to take out classes of insurance not currently handled by the State Insurance Office because of the restrictions applied to this office in the initial legislation. That is some indication of the extent of demand within the community.

As I said, the Public Accounts Committee in 1974 recommended that the State Insurance Office should move into this area, and the Liberal Party, the National Party and the Labor Party were represented on that committee. They all recommended that was one area in which the Government should proceed.

The Bill specifically calls upon the State Insurance Office to comply with requirements with respect to reporting standards, which is a significant departure from the previous legislation introduced into this House. I congratulate the Government for the moves it has made in this area, particularly with respect to the financial reporting. It is left to the Treasurer to specify, firstly, by regulation, the form and content of that financial reporting, and secondly, with respect to the timeliness of that reporting. That is important and will go a long way towards making the State Insurance Office accountable to the Parliament and to the people of Victoria.

As I have indicated, and as previous speakers have indicated, the Labor Party does have a mandate to move in this area. The Government has put this argument in the House and to the people of Victoria on a number of occasions, in Budget debates and in debates on other Bills when the occasion has arisen. There is a demand in the community for an extension of the franchise of the State Insurance Office. The existing industry is being protected by ensuring that the State Insurance Office will be competitive. The State Insurance Office will not have a competitive advantage, nor will it have a disadvantage. It will meet the needs of the industry.

We have had consultation with the insurance industry and it is supportive of the thrust of this Bill. The Leader of the National Party, when he heralded the discussions that are to occur next week, berated the insurance industry for its lack of attendance. That is an indication to the House that the insurance industry has already been consulted. The insurance industry is not afraid of this Bill; it supports the general thrust of it. It is not afraid of competition in this area, and the Bill should be supported.

Mr DICKINSON (South Barwon)—This Bill amends the State Insurance Office Act 1975 and extends the franchise of the State Insurance Office. Clause 2 (6) (*a*) reads:

> to supply a comprehensive insurance service to the public on a competitive and fully commercial basis having regard to the nature of the service supplied by other persons engaged in the like business.

In the past, that has not been so. The State Insurance Office did have certain advantages which the private companies did not have, and that gave it a little edge on the private sector. In the purchase of office equipment, the private companies had to pay sales tax, and I understand that the State Insurance Office was exempt. The Opposition has been assured that this matter has been examined and will not occur under this Act.

Clause 2 (6) (*b*) and (*c*) reads:

(*b*) to provide maximum benefits to policy holders by the efficient utilization of resources and including a commercial yield on investments; and

(*c*) to provide specialist insurance services to the Government of Victoria at the lowest efficient cost.

I am sure that will be good news to the Minister of Education, because he always has problems with the rebuilding of schools, which are a drain on the finances of this State. The sum of $11 million has been spent in the past few years in maintaining buildings which have been lost, and what a disaster that has been.

There is also the tragedy of natural disasters which Victoria has just experienced with bush fires, and some people did not have any insurance at all. In the electorate of South Barwon, where 720 homes were lost, there were people who pleaded with the Government for some assistance, whether by bush-fire relief or from some other funds, to build homes up to the price of $70 000. There is a question on the Notice Paper which I directed to the Premier and it has yet to be answered. There are still people looking to your Government, Sir——

The SPEAKER (the Hon. C. T. Edmunds)—Order! I ask the honourable member to address the Chair in the correct manner and on the Bill and the amendment.

Mr DICKINSON—If this Bill is to be taken seriously, it should embrace the areas where people may not be insured. In times of disaster, insurance companies have often got together and pooled their resources to ensure that nobody has suffered, and I make that point.

There is no reference in the objectives of the Bill to the most important consideration, and that is, the forgotten people I have just mentioned. The first objective would be to provide Victorian taxpayers with some benefit for the use of some resources and for the provision of a Government guarantee. The State Insurance Office should not exist solely for the benefit of the people who insure with it.

Paragraph 31.27 of the final report of the Campbell committee states:

The Committee concludes that the State Government insurance offices should pay an appropriate fee to offset the marketing advantage associated with their Government ownership.

In the Treasurer's second-reading speech last Tuesday, he said the Government:

..."wants to allay any fears that private sector insurers may have that there will be unfair competition. The State Insurance Office will compete on equal terms in the market place."

The sitting was suspended at 12.1 *a.m. until* 12.35 *a.m.*

Mr DICKINSON—Before the suspension of the sitting, I raised a matter of obtaining a guarantee from the Minister ensuring competitive neutrality of the State Insurance Office, because it demands accommodation in the Bill and is a critical aspect in the industry. Honourable members know that, within the banking community, banks are responsible and under Federal banking legislation must give guarantees to the Reserve Bank of Australia.

In an industry like the insurance industry where security is paramount, a Government guarantee is unsurpassed. Honourable members have already heard in the debate reference to other States and how well the system operates; references were made to South Australia. I refer honourable members to an advertisement in the *Herald* of Thursday, 20 April 1978, under the heading "As Safe as the State you live in," which states:

Trust is what insurance is all about.

This being so, it's good to know that State Insurance is as solid as the very ground you stand on.

Good times or bad times, State Insurance is guaranteed by the State Government of Victoria.

State Insurance is in business for the benefit of the people of Victoria.

Trust Victoria, trust us.

Many people in the community were disillusioned following the recent bush fires because they had no one to turn to. If it is said that the Bill, like the State Insurance

Office, is as solid as the ground you stand on, it may not be the case after the Australian Labor Party passes the Aboriginal Land Claims Bill——

The SPEAKER (the Hon. C. T. Edmunds)—Order! I am having difficulty discovering the relationship of the remarks of the honourable member for South Barwon to the Bill. I suggest that the honourable member return to the Bill.

Mr DICKINSON—I consider that certain latitude has been given to members of the Government party——

The SPEAKER—Order! I hope the honourable member for South Barwon is not reflecting on the Chair in the remarks that he has just made because I find them offensive. I ask the honourable member to come back to the Bill.

Mr DICKINSON—Mr Speaker, possibly you were not in the chair when the remarks were made.

The SPEAKER—Order! I ask the honourable member to come back to the Bill.

Mr DICKINSON—Mr Speaker, I wanted to refer to the Bill in its relation to other State Government insurance offices because honourable members are told that similar measures work well in South Australia, Western Australia and Queensland. I refer the House to a report in the *Sunday Sun* of 15 May 1983 which refers to the State Government Insurance Office as:

> A hydro-headed monster . . . rampaging through Queensland's commercial world.

The journalist also reports on the assets of the State Government Insurance Office. I would have liked to quote the article in the newspaper but I shall not detain honourable members any longer. If honourable members wish to read the article, they can do so.

On 2 April 1981, the Adelaide *Advertiser* refers to an expansive advertising campaign which one finds, after examining the clippings, is nothing less than scaremongering to attract big business to the State Government Insurance Office. It is almost like the Australian Labor Party political advertisement that appeared when the inquiry was held into the Melbourne and Metropolitan Board of Works building and the money that was apparently going down the drain. It is extremely persuasive material.

I am well aware that the concession cards that students have been given by the Government have been sponsored by none other than the State Insurance Office. That gives the office a distinct advantage, as many children open their first bank account in this way. For many years, when I was in Papua New Guinea, I recall that the children there had the distinct advantage of opening a Commonwealth Banking Corporation bank account. As people grow up, they are conditioned to bank with the State Bank of Victoria and, similarly, children in our schools will be bombarded with advertising from when they are infants. Honourable members are well aware that many young people under the age of seven years are impressionable and conscious of these matters.

The Opposition does not want the State Government to use money to disadvantage those in private enterprise. Once something becomes uncompetitive, the Government wants to step in and prop it up, such as International Harvester of Australia Ltd in Geelong and Broken Hill Proprietary Co. Ltd in Newcastle. My party draws the line at too much Government interference. In the years of Sir Robert Menzies, a small percentage of the gross national product went into the Public Service sector. That has now grown to 65 per cent, out of all proportion. The last Prime Minister to bring this to the attention of the people and who reminded them that their savings may not be safe under their beds, was laughed and jeered at by many people. The Prime Minister of England is doing it now by reminding people that Socialism is not an alternative and if one put one's money in one's socks a Labor Government will nationalize them——

The SPEAKER (the Hon. C. T. Edmunds)—Order! The honourable member may lecture the House on his financial arrangements or make suggestions on other people's financial arrangements, but I insist that he return to the Bill if he wishes to be heard.

Mr DICKINSON—The industry, especially the life insurance industry, is concerned that it needs proper consultation. Members of Parliament want to be assured that distinct advantages will not be given to a State Government organization over and

above a private business group in the community. Honourable members have been told that the Bill will undertake to give people insurance where insurance does not exist. I would be the first to praise the State Insurance Office for doing that because one particular area poses problems for many people. People travelling overseas sometimes have to take out sickness and accident insurance in case, for instance, they have a heart attack when they visit Hong Kong or America. Only one insurance company will handle that business in Australia. It is desirable that competition exists and that people can gain some comfort from knowing that when they buy an insurance policy it is worthwhile. It is disturbing that a Government organization, the State Government Insurance Commission of South Australia, is stooping to a smear campaign. I trust that sort of activity will not occur in the State Insurance Office of Victoria.

Mr RICHARDSON (Forest Hill)— The Bill has two objectives. Firstly, it is concerned with implementing a Socialist policy. It is to be expected that this will be done. The electorate voted overwhelmingly for a Socialist Government in the last State election, so it should come as no surprise to the community and the insurance industry that, having achieved office, a Socialist Government will proceed to socialize as much of the commercial activity of the State as possible. Although one may deplore the motives behind the actions taken in this Bill and regret the effect it will have on the operation of private enterprise in the marketplace, it is predictable and inevitable that a Socialist Government will implement this type of programme. The Minister of Public Works is interjecting——

The SPEAKER (the Hon. C. T. Edmunds)—Order! The Minister is out of order and I ask the honourable member to ignore interjections.

Mr RICHARDSON—Well——

The SPEAKER—I suggest he does.

Mr RICHARDSON—I only said "well" and I was about to move on and speak before I was interrupted by you, Mr Speaker.

The inevitability of this action is consistent. The second reason why the measure ought to arouse some interest in the community is that it will be a massive revenue raiser for a Government that is desperately in need of funds. It has been clearly stated by the Treasurer and other speakers who have supported the measure on the Government side of the House that very large payments will be made from the State Insurance Office when it is reconstituted so that it will be able to embark into new areas of commercial activity. It is as consistent and inevitable as my earlier observations that a Government that is so desperately short of funds as this Government would make every effort and take every possible action to find new sources of funds. The new activity in which the State Insurance Office will be engaged will provide an enormous injection of funds into Treasury, which is sadly being depleted by the inefficiencies of the Government in general and the incompetencies of the Treasurer in particular.

Given those two points that are relevant to the Bill—the motivation behind its introduction and the consequences of its implementation—the Opposition has pointed out a clear inconsistency in the provisions of the Bill. The inconsistency rests with the two hats that are worn by the Insurance Commissioner. He is the Chief Executive Officer of the State Insurance Office and is therefore charged under the Bill to operate the enterprise at a profit and we are informed that it will become even more vigorously involved in commercial activities in the market place. The chief executive officer of a major insurance company is also the Insurance Commissioner who is charged with the responsibility of overseeing the entire insurance industry in this State.

It is inconsistent for one person to have those two responsibilities. It will be impossible for the commissioner to exercise them without coming into conflict from time to time. What course will he take when he perceives that the two responsibilities are in conflict? The Bill places him in an impossible position and will be a source of embarrassment to the person who occupies the position of commissioner.

The Government has not acknowledged the inconsistencies and does not acknowledge that it is an unfair imposition on one person within the Government service.

The National Party rejected the proposal that was put by the honourable member for Balwyn, and Government supporters do not

seem to regard the matter as being of any consequence, as can be seen from their conduct tonight. Given the inconsistencies contained within the Government's policy, the severe embarrassment that will be caused to the commissioner and the impossibility of the commissioner being able to discharge both responsibilities without encountering a conflict of interest from time to time, the Opposition urges the Government to accept the amendment moved by the honourable member for Balwyn. I urge the National Party to look with unblinkered eyes at the proposal and to think in broad terms of the welfare of Victoria.

Regarding the measure itself and the disquiet that it may cause within the insurance industry, one must remind the industry and the community as a whole of the overwhelming vote for the Labor Party at the last election. It is not surprising that a Labor Party Government should take this sort of action, along with a multitude of other Socialist measures.

Mr JOLLY (Treasurer)—I thank honourable members who participated in the debate. In particular, I noted the fiery speech of the honourable member for South Barwon and the well-spoken speech of the honourable member for Forest Hill.

The debate has highlighted major philosophical differences between the Government and the Liberal Opposition, and the Leader of the National Party made a constructive contribution to the debate.

The Liberal Party is concerned to ensure that the major State instrumentalities continue to operate in loss making areas of the market-place. The Opposition does not care whether State instrumentalities form an efficient and effective organization. It would not encourage initiative or a dynamic public sector. In the past, it has been willing to stifle the State Bank and it indicates by its attitude tonight that it wants to stifle the State Insurance Office. It is about time the Opposition moved into the 1980s. Unless it does so, it is doomed to opposition for years to come.

The Labor Government has clearly indicated that the State Insurance Office will compete on equal terms in the private sector. Two major issues have loomed in discussion with representatives of the insurance industry. Firstly, they wanted to ensure that that office would pay the taxes equivalent to those paid by a private sector organization operating in the insurance market. The Bill makes it clear that that will happen. Secondly, one major concern of the private sector insurance organizations was to ensure that the State Insurance Office would be bound by Federal legislation. As honourable members are aware, technically that office does not have to be bound by Federal legislation. Consequently, the Government wrote explicitly into the Bill that the State Insurance Office will operate within the framework of Federal legislation—in particular, within the solvency requirements of that legislation.

The comments of Opposition members ignored completely the fact that the State Insurance Office already competes in two important sectors of the market-place—comprehensive motor vehicle insurance and workers compensation insurance. It has been shown that the office has acted responsibly and has provided a valuable service to Victorians in those areas.

It is the Government's intention to extend the franchise of that office to enable it to compete on a commercial basis in all areas of the insurance market. That extended franchise will be phased in gradually, and those who attempt to cast gloom over the proposal misunderstand the way in which the office will approach the extension of its franchise.

One issue that was highlighted in the debate and first brought to light tonight was the need to separate the Insurance Commissioner from the General Manager of the State Insurance Office. I have indicated on a number of occasions that the Government supports that principle. In fact it is the Government's intention to ensure separation of the roles of the commissioner and the general manager during 1983. It was the intention of the Government to make that change when the general change in the corporate structure occurred this year.

However, in view of the comments of the Leader of the National Party and the importance that he attaches to this issue, I will examine the possibility of introducing an interim arrangement whereby it will be possible to separate the two roles, and I will take up that matter next week.

Members of the Opposition emphasized the need for consultation with the insurance industry on the issue. I have met with a

number of representatives of the industry during the past twelve months and clearly indicated the Government's intention to extend the franchise. Those representatives fully understood the Government's position. Although they do not welcome the changes with open arms, they recognize that the Government has a mandate to extend the franchise.

During the past week, I spoke with representatives of the Insurance Council of Australia and indicated that, if there are particular features of the Bill which, in their view, place the State Insurance Office at an unfair advantage in the market place, I will seriously consider those matters and be prepared to recommend changes before the Bill is introduced into the other place.

The Government is taking a most reasonable attitude to the Bill. As the Leader of the National Party has indicated, I will have a conference with him, the honourable member for Balwyn and representatives of the insurance industry next week.

In my view, the introduction of the Bill is, to quote the honourable member for Mitcham, a landmark. It is about time the Opposition recognized the need to ensure that the State Insurance Office can compete in all sectors of insurance and that it should be encouraged to develop its effectiveness in the future.

The Leader of the National Party also raised the issue of whether the State Insurance Office should be the insurer of last resort. As the honourable member interjects, if the office is to be the insurer of last resort, it is necessary to ensure that the office is not just taking all the high risk policies and thereby undermining the viability of the enterprise. As he says, the office has to stay in business. The issue is a complex one to which I am prepared to give further consideration.

The Bill should be supported by all honourable members. It removes the shackles that have been imposed on the State Insurance Office for many years, shackles which have prevented the office from becoming a dynamic efficient organization that is able to provide insurers in this State with a greater choice and to inject a new element of competition into the Victorian insurance market. I strongly recommend the Bill to honourable members and look forward to its passing.

The amendment was negatived, and the motion was agreed to.

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

ST ANDREW'S HOSPITAL (GUARANTEE) (AMENDMENT) BILL

Mr JOLLY (Treasurer)—I move:

That this Bill be now read a second time.

In 1978 the then Government introduced legislation to provide for a guarantee for borrowings by the board of management of St Andrew's Hospital up to an amount of $28 million to assist the board in financing the redevelopment of its property in East Melbourne.

Guarantees were provided by the former Government for borrowings under this legislation but the lenders concerned did not take any primary security over the property of the board of management.

The redevelopment programme proceeded, but for a number of reasons there was an over-run of costs compared with the estimates on which the guarantee limit of $28 million had been settled. The reasons for the increased cost were:

A delay of more than a year in the completion of the building programme;

the effect of high interest rates on the cost of financing the project;

the general inflation which was experienced in the building field during the period of construction; and

changes in the original design of the project which were required by the Melbourne City Council.

The board of the hospital made an application to the former Government in October 1981 for an increase in the guarantee limit to cover the borrowings necessary to cope with the increased costs.

On 30 march 1982 the then Treasurer informed the board that amending legislation to increase the guarantee limit could not be supported but that he would have no objection to the board arranging further borrowings up to $5 million on the security of the board's freehold property in East Melbourne. The board of the hospital has

proceeded to meet its additional financing requirements on this basis.

The Government has had the matter of the hospital's future under consideration over recent months and there have been discussions with representatives of the hospital board.

The board has provided projections of its operating and financial situation covering the finalization of the building and associated contracts and the opening of the additional facilities.

The financing of these projections cannot be satisfactorily carried out on the present basis of some borrowings being secured on the security of first mortgage of the East Melbourne property and other borrowings being secured solely on the statutory guarantee.

In the circumstances, the Government has decided to lift the limit of the statutory guarantee from $28 million to $37 million and that all borrowings will be subject to this guarantee. This action, however, is conditional on the board providing the Government with appropriate security over its property and assets as a consideration for the guaranteed borrowings. The board will be required to manage its affairs and work within the framework of the revised guarantee arrangements and to remain viable in line with the operating and financial projections which it has put before the Government. I commend the Bill to the House.

Mr RAMSAY (Balwyn)—St Andrew's Hospital is one of the most important and significant hospitals in the metropolitan area. It is important that its building programme be proceeded with and completed at the earliest opportunity. As the Treasurer indicated, in the circumstances, the Government has decided to lift the limit of the statutory guarantee from $28 million to $37 million and that all borrowings be subject to this guarantee.

It is a matter of concern that the hospital has run into so many difficulties with this building. The delay has been caused by a number of factors, including some unhappy experiences on the industrial front. For example, certain unions saw fit to hold up work on the project for a day simply because a non-union member was found to be on site.

The appropriate union saw fit to fine the contractors for allowing a non-union member on site which undoubtedly finished up adding to the cost of the project. This is a factor that contributed to the situation in which the Government now finds itself of having to increase the guarantee. It is certainly in the best interests of the people of Victoria and Melbourne that the building project proceeds with the greatest expedition. The Opposition does not oppose the Bill.

Mr ROSS-EDWARDS (Leader of the National Party)—The Bill increases from $28 million to $37 million the guarantee for St Andrew's Hospital. I understand the Government takes a first mortgage security over the property of the hospital. This is a large guarantee and, if the Government secures those assets, it might have trouble knowing what to do with it if the worst came to the worst.

However, a Government of any political colour would take the same action. The hospital has had a long and distinguished background and has provided a considerable amount of medical care in this State. I hope the hospital continues to provide the service it has for so long.

Mr LIEBERMAN (Benambra)—The measure will have a speedy passage through this House for the reasons expressed by the shadow Treasurer and the Leader of the National Party.

As shadow Minister of Health, I hope that the future of this institution is assured following the introduction of Medicare in this State.

The motion was agreed to.

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

SUPPORTING PARENTS CONCESSION BILL

The debate (adjourned from May 27) on the motion of Mrs Toner (Minister for Community Welfare Services) for the second reading of this Bill was resumed.

Mr SALTMARSH (Wantirna)—The Bill will extend the concessions within the meaning of the Social Security Act to cover supporting parents. Those people who are in receipt of supporting parent benefits and a transport concession card will be eligible

for council, water and sewerage concessions for the rating period on or after 1 July 1983 and for motor registration and third-party premium concessions which fall due on or after that date.

The Opposition supports the Bill and indicates that there are, of course, a number of important goals to be achieved. The first goal is one that can be described as equity between the various categories of people who are in receipt of social security pensions.

The Government appears to be following the lead that was taken a few years ago by the Federal Liberal Government when it determined to extend social security concessions to supporting parents. At this stage, it also seems that it is important to understand that there are some very real financial problems faced by supporting parents. Undoubtedly, there are a significant number of supporting parents in the community. The second-reading notes indicate some 26 000 persons fall into the category of supporting parents in Victoria. A considerable percentage of that number will be eligible for the concessions under this measure. Therefore, the current commitment under the Victorian Budget will have to be extended considerably—at least $2 million and possibly more than that. The Opposition supports the view that that is an important extension not only to ensure that many of these people who do face very real financial difficulties will be given some additional assistance but also to place them on an equal basis with other similar persons in receipt of pensions.

Since last year honourable members have seen within the Victorian community a good deal of action on the part of the Government in highlighting the problems of some of these different categories of pensioners. During last year the Victorian Government established the so-called Income Security Task Force which had as it apparent aims: Firstly, to review the existing Federal Government pension levels in terms of their adequacy and their impact on the functioning of families and, secondly, to develop the Victorian position in respect of changes to Federal pensions and benefit levels.

For a number of years considerable concern has been expressed about the levels of social security within this country. Over a number of years, the Victorian Government has expressed to the Commonwealth Government the need for much fairer assistance through Commonwealth outlays to provide some reimbursement to the States for the assisstance that has been undertaken by the States, recognizing that in many instances social security payments are inadequate to maintain people in a reasonable standard of living.

When the present Government set up the inquiry it seemed that the entire rage of the inquiry was to be directed against the Commonwealth Government. In fact, the inquiry was specifically directed, when considering the needs of supporting parents or similar groups, not to take into account the contribution of the State Government but to increasing the plight of pensioners by increasing costs and State charges and adding to the difficulties faced by supporting parents and other groups, in terms of increased gas and electricity charges. These were not to be taken into account. Obviously the impact of State Government policies on these low-income groups have had a significant detrimental impact.

Now that the Federal Government has changed and there is a Government of the same political complexion as the State Government, it seems that the State Government has become nothing but a powder puff in relation to the aggression that was supposed to be directed towards Commonwealth social security payments to ensure that more adequate payment was provided through that source. Therefore, no pressure is now being applied on the Federal Government, and the cost to the Victorian Government is considerable and is growing.

I for one would have believed the Government would have been well directed to have maintained its attitude and its rage against the Commonwealth Government and to insist that the general levels of social security payments were increased in line to ensure that people were able to have a reasonable standard of living. Having said that, a second point arises from the second-reading speech. It indicates that the amendments to extend rates and motor registration concessions will provide a reduction in half the cost of council rates to a maximum of $135 per annum, an equivalent reduction in water and sewerage rates and a 50 per

cent saving on the cost of motor registration and third-party premiums.

Recently a number of local councils expressed concern about the present $135 limit indicating that a number of pensioners who are eligible for this concession find that the $135 ceiling is insufficient to be of very great assistance.

I am indicating that it will be necessary for the Government, in light of the fact it is no longer pursuing its case with the Commonwealth Government, to provide a more adequate pension payment. It will be clear that the State Government will have to increase that level of payments and already the current outlays for concessions, which amount to some $47 million, will have to be increased substantially and that increase will be paid by the Victorian taxpayers.

Having made those points, I am concerned that no more pressure is being applied by this Government to the Commonwealth Government to effect a more adequate social security pension. It is not properly a responsibility of the State Government to take up these additional concessions. It ought to be taken further to ensure that the Victorian Government is more reasonably compensated by the Commonwealth Government in respect of these outlays.

The Opposition supports the Bill most generously, not only on the grounds of fairness and equity but also to ensure that those supporting parents who will be eligible for such a concession will be given additional assistance to enable them to live comfortably and, it is hoped, a little more free of anxiety about their own economic situation.

Mr JASPER (Murray Valley)—Like most members of Parliament, members of the National Party have received strong representations from supporting parents about the disadvantages under which they have been operating in trying to make ends meet and to provide the best circumstances for their families by recognizing that most of these supporting parents are on the same allowances from the Federal Government as other pensioner groups.

That has been recognized, but little has been done to provide assistance to that group. Governments have pressure placed upon them by various groups to provide assistance. Most honourable members have received representations from various areas, apart from supporting parents, so far as concession fares on public transport are concerned. That is another area that would need to be covered in an extension of this type of legislation. The National Party recognizes the forward move by the Government in providing assistance to other pensioners generally.

I note with interest the comments made by the honourable member for Wantirna that social benefits should be the responsibility of the Federal Government. That has been stated by all parties in the Parliament. Over the years, State Governments have picked up on social services assistance to try to relieve people in difficulty. Consequently, the previous Government moved into areas of assistance to pensioners, and these benefits are now being extended to supporting parents.

One area of assistance for supporting parents that is already provided to pensioners is the rate rebate. When that rebate was introduced for pensioners in the 1975–76 financial year, the cost was $4·8 million. In the current financial year, the estimate in the Budget Papers for the rate remission to pensioners is $41·68 million. That is an enormous increase, and I can understand the concern that has been expressed. The previous Government originally provided for a 50 per cent reduction in rates, but it had to revise that to a fixed limit of $135. The honourable member for Wantirna criticized that point and said that the new Government should examine this level and consider raising it.

The Government is in a difficult position because the allocation for rate remissions for pensioners alone is $41·68 million. I understand the concern of the Government in wanting to look at this point carefully. It should be noted that in most cases the $135 rebate would be equivalent to a 50 per cent reduction.

I raise a concern about the cost of this rebate to the Budget. It is quite clear from the second-reading speech that the Minister makes no reference to the cost of this concession. I hope the Minister will provide information to the House on how much it will cost to provide the benefits to supporting parents, who number 25 226. While the National Party supports the proposed legislation, it expresses concern as to the cost to

the Budget of the concessions to be provided to supporting parents that are currently provided to pensioners generally.

Another area covered by the concessions is that of motor vehicle registration and third-party insurance premiums. A 50 per cent reduction is provided for supporting parents. When this concession was originally provided for, I raised the point of who would pay for the reduction in registration and third-party insurance premiums. The Government should provide in the Budget Papers an allowance for the 50 per cent reduction.

In discussions with the Insurance Commissioner, he indicated that if there were a 50 per cent reduction in registration charges and third-party premiums, the cost would have to be covered by other motorists. In providing a 50 per cent reduction to a certain group, the rest of the community must bear the cost. The Government must recognize that it is a cost to the community. It is easy to say that pensioners and supporting parents are given a 50 per cent reduction in registration fees, but there needs to be recognition that it must be paid for, whether through a tax at a Federal level or by charges imposed by the State Government.

The National Party supports the passage of the Bill. It provides concessions to people who are in a difficult financial position and who are doing an excellent job in raising a family. I trust that the benefits provided to this group will be utilized so that parents can bring up their families in a better manner and enjoy living in Victoria to a greater degree.

Mrs TONER (Minister for Community Welfare Services)—I commend the honourable members for Wantirna and Murray Valley for supporting this progressive legislation, which provides equity for people in Victoria who are dependent upon pensions of one form or another from the Federal Government. The honourable member for Murray Valley stated that the State Government is picking up an onerous burden. That is a Federal Government responsibility and relates to income security. He raised the matter of the actual cost of introducing concessional payments to supporting parents, which will be about $2 million. Nevertheless, that is in line with the Government's commitments and I am glad that the Opposition and the National Party agree with it because all honourable members are conscious of the fact that supporting parents are the deprived section of the community.

I indicate that there are some drafting and printing errors in the Bill. I have discussed those with the Opposition and National parties and there should be no difficulty in quickly sorting them out.

The motion was agreed to.

The Bill was read a second time and committed.

Clause 1 (Short title)

Mrs TONER (Minister for Community Welfare Services)—I move:

Clause 1, lines 10–11, omit "rating periods under the Local Government Act 1958 commencing" and insert "rates interests and charges of a council or authority referred to in section 2 (3) of the Municipalities Assistance Act 1973 first becoming payable."

This was a drafting error and the revised wording updates the measure to the present situation.

The amendment was agreed to, and the clause, as amended, was adopted.

Clause 2 was verbally amended and, as amended, was adopted.

Clause 3 (Concession on municipal rates)

Mrs TONER (Minister for Community Welfare Services)—I move:

Clause 3, line 14, omit "1974" and insert "1947"

The amendment was agreed to, and the clause, as amended, was adopted.

The Bill was reported to the House with amendments, and passed through its remaining stages.

ADJOURNMENT

Release of correspondence under freedom of information code—Fencing subsidies.

Mr FORDHAM (Minister of Education)—I move:

That the House, at its rising, adjourn until Tuesday, June 14.

The motion was agreed to.

Mr FORDHAM (Minister of Education)—I move:

That the House do now adjourn.

Mr MACLELLAN (Berwick)—I raise a matter for the Premier and Attorney-General, but in his absence, I direct it to the attention of the Deputy Premier. I did take the precaution of mentioning the matter to the Deputy Premier earlier in the day. It relates to the freedom of information code.

I have recently received correspondence from the Shire of Sherbrooke concerning the Lysterfield shooting range conducted by the Victorian Field and Game Association, which is a very controversial subject because activities on the range cause a great disturbance to local residents. The correspondence refers to letters that passed between the shire council and the Minister of Lands. Attached to the correspondence is a letter from myself as the honourable member for Berwick to the then Minister for Police and Emergency Services, the Honourable Mr Thompson, dated 25 November 1980.

My secretary drew to my attention her surprise that the shire council should have a copy of this letter because my file did not record that I had sent the council a copy. She queried why I should receive in the mail yesterday a letter that I wrote in 1980. On viewing the letter, I noted at the bottom an endorsement on a copy of the letter that I sent—I did send an original and a copy to the Minister at the time—the notation "released under FIOC". I presume that that means released under the freedom of information code.

It was not a case of correspondence on Ministerial letterhead between one Minister and another. It was clearly a letter from the honourable member for Berwick to the then Minister for Police and Emergency Services. I can only assume that some person had access to the file in the Ministry for Police and Emergency Services and saw the copy of the letter that I wrote in 1980 in reply to letters that I had received at that stage from the Minister for Police and Emergency Services. This seems to indicate to me that letters passing between members of Parliament and Ministers are not only accessible but also copyable and that this situation is likely to continue. If this is so, which I believe it is, under the freedom of information code, undoubtedly it will continue to be the case.

I seek confirmation from the Deputy Premier that this situation will continue. I raise for the attention of the House by way of advice to all honourable members that the letters—in reply to the Minister of Education, I am raising it with the honourable gentleman so that all honourable members may understand—that they write to Ministers are on files of this nature and that they are likely to be copied. I give the Minister fair warning that if this is to be the practice under the code, it will be the Opposition's intention to seek copies of correspondence passing between honourable members and Ministers for the purposes of the Opposition. If this is going to be the rule for one, it will be the rule for many.

I seek confirmation from the Deputy Premier that the release of my letter was proper and that the release of other letters from honourable members to Ministers will equally be made available to members of the Opposition if they seek them.

Mr REYNOLDS (Gisborne)—I raise with the Minister for Police and Emergency Services a request to extend the time allowable to claim the fencing subsidy granted under the bush-fire relief measure instituted by the Government. This matter concerns two particular areas in the electorate I represent where, as the Minister knows, three of the State's major bush fires occurred. The time allowed for claims on the subsidy is causing some concern. Fencing was destroyed in the Ash Wednesday fires which occurred between 16 and 20 February.

In some instances, the shire councils have advised people who are eligible for the grant not to undertake any of the work until the council has had the opportunity of inspecting the damage. This causes a problem in that the subsidy is available only if the fire victim has completed the fencing within six months of the date of the fire. Officers of the Shire of Newham and Woodend have been unable to inspect the damaged fencing until recently. In fact, it has been inspected only in the past week or so. Therefore, half of that six months is gone. The situation is also aggravated by the fact that some of the owners of properties are not full-time farmers and do not have the funds to employ staff to look after them full time. Therefore, they are required to put up the fences in their spare time, which is usually at the week-end. It would probably be almost impossible for all of them to complete the fencing within the six month statutory

period and to claim the subsidy to which they are entitled.

The other area relating to the same problem concern the two fires that occurred before the Ash Wednesday bush fires. One occurred at Mount Macedon and the other at Greendale. The victims of those fires who lost their fencing did not realize that they were eligible for the subsidy until a written sanction was received from the Premier only about ten days ago. The shire council were not aware that the subsidy was available. Therefore, almost five months of that six-month period have gone by before those people found out they were eligble for the subsidy and before the Government said it would accept their claims. Therefore, those people have only five or six weeks in which to claim the subsidy. That involves having the site inspected to ascertain what damage has been done, to obtain the material and to build the fences. The completed fences then have to be inspected.

Will the Minister please give careful consideration to extending the time limit to those people who have just found out that they are entitled to the subsidy. I am not asking for anything to which people are not entitled, but the Minister should allow some latitude in some instances. Perhaps, on application, they might be allowed six months from the time the shire became aware that the subsidy was available.

Mr FORDHAM (Minister of Education)—The Deputy Leader of the Opposition asked me to raise with the Attorney-General his query concerning the proper practice regarding the potential release of letters from members of Parliament under the current freedom of information code. I will be pleased to take up the matter with the Attorney-General and will ensure that the honourable member is advised as soon as possible.

Mr MATHEWS (Minister for Police and Emergency Services)—The honourable member for Gisborne has raised the question of a possible extension in the period of six months during which a subsidy is payable for the restoration of fencing that was destroyed in the course of the Ash Wednesday bush fires and bush fires that occurred earlier in the last fire season. The honourable member suggests that this may simply be a matter of some latitude on the part of the Government. I wish the whole situation were as simple as that. In fact, this limit applies under arrangements that have stood for many years following negotiations between the State and Federal Governments.

Nevertheless, the points he has made, particularly with regard to the fires that occurred in the Macedon and Greendale areas, seem to involve questions of significant equity and I will be happy to take up the matter on his behalf to determine whether there is a way in which some accommodation could be reached.

The motion was agreed to.

The House adjourned at 1.35 *a.m.* (*Friday*), *until Tuesday, June* 14.

QUESTIONS ON NOTICE

The following answers to questions on notice were circulated—

LAWS ADMINISTERED BY DEPARTMENT OF CROWN LANDS AND SURVEY

(Question No. 563)

Mr WILLIAMS (Doncaster) asked the Minister of Public Works, for the Minister of Lands:

Whether any steps have been taken to—(*a*) ensure that no Victorian is ignorant of the laws administered by departments, authorities and agencies within his administration; (*b*) review all such laws, including subordinate legislation with respect to social relevance and language comprehension in 1982; and (*c*) produce a pocket guide to such laws; if so, what steps; if not, whether the Minister will ensure that such action is taken?

Mr SIMPSON (Minister of Public Works)—The answer supplied by the Minister of Lands is:

(*a*) All principal and subordinate legislation administered within my administration is available for public perusual.

(*b*) Review of legislation is carried out regularly and will take into account social relevance and language comprehension subject to acceptable legislative drafting standards.

(*c*) Where appropriate, publications containing information on legislation administered within my administration have been prepared as a suitable alternative to producing a pocket guide.

DEPARTMENT OF YOUTH, SPORT AND RECREATION REPRESENTATION OF TRADE UNIONS

(Question No. 717)

Mr WILLIAMS (Doncaster) asked the Minister for Youth, Sport and Recreation:

1. Which statutory authorities within the responsibility of the Minister have provision for elected representatives or trade union nominated representatives on their boards?

2. What is the basis of their representation and when it was established?

3. Who are the current trade union representatives and who held the positions previously?

Mr TREZISE (Minister for Youth, Sport and Recreation)—The answer is:

1. One member of the Bookmakers and Bookmakers' Clerks Registration Committee is appointed by the Governor in Council from a panel of three names submitted by the Federal Clerks' Union of Australia (Victorian Branch).

2. Section 85 (2) (*e*) Racing Act 1958. The Committee was first established in 1957.

3. Gerald James Lanigan since 14.8.62. Name of previous member appointed under this paragraph is not known to the Department of Youth, Sport and Recreation.

REGISTER OF ASSETS OWNED OR LEASED BY STATE

(Question No. 1083)

Mr WILLIAMS (Doncaster) asked the Minister of Public Works, for the Minister of Lands:

1. What steps are taken to allocate or obtain staff to maintain a register of all assets owned or leased by the State of Victoria?

2. Whether investigations have been made into the progressive accumulation of such information on data bank tape; if not, why?

Mr SIMPSON (Minister of Public Works)—The answer supplied by the Minister of Lands is:

1. The Department of Management and Budget has been approached with the view to the creation of an additional administrative staff position to maintain the Register of Government-owned land.

2. The operation of the Register is currently under review in the light of proposals for a State-wide land information system project.

OVERSEAS TRIPS BY OFFICERS UNDER LANDS DEPARTMENT

(Question No. 1342)

Mr WILLIAMS (Doncaster) asked the Minister of Public Works, for the Minister of Lands:

1. How many officers of departments, authorities or agencies within the Minister's administration were sent overseas in 1981–82 and how many will be sent overseas in 1982–83?

2. What was the cost of such visits in 1981-82 and what is the expected cost during 1982-83?

Mr SIMPSON (Minister of Public Works)—The answer supplied by the Minister of Lands is:

1. 1981-82—Two
   1982-83—Three
2. 1981-82—$8515
   1982-83—$9806

ADVERTISING AND PUBLIC RELATIONS SERVICES USED BY LANDS DEPARTMENT

(Question No. 1344)

Mr WILLIAMS (Doncaster) asked the Minister of Public Works, for the Minister of Lands:

What—(*a*) advertising agency services; and (*b*) public relations sources, are retained, used or have been used in the period since 3 April 1982 by departments, agencies and authorities within the Minister's administration, specifying in each case—(i) the name of the firm or agency used and whether such firm or agency was used for a general or specific purpose; and (ii) the amounts paid to such firms or agencies?

Mr SIMPSON (Minister of Public Works)—The answer supplied by the Minister of Lands is:

(*a*) Nil.

(*b*) Nil.

INTERPRETERS WITHIN ADMINISTRATION OF LANDS DEPARTMENT

(Question No. 1348)

Mr WILLIAMS (Doncaster) asked the Minister of Public Works, for the Minister of Lands:

1. How many interpreters are employed by departments, agencies and authorities within his administration, indicating the languages other than English spoken?

2. In which offices such interpreters are located?

3. Whether such interpreters are employed on a full-time or part-time basis, indicating the numbers employed in each category?

4. Whether officers undertaking private courses in foreign languages receive any Government assistance?

Mr SIMPSON (Minister of Public Works)—The answer supplied by the Minister of Lands is:

1. Nil.
2. Not applicable.
3. Not applicable.
4. No.

INFORMATION SUPPLIED TO TELEVISION MEDIA BY DEPARTMENT OF YOUTH, SPORT AND RECREATION

(Question No. 1575)

Mr WILLIAMS (Doncaster) asked the Minister for Youth, Sport and Recreation:

1. What investigations have been undertaken by departments, authorities and agencies within his administration into the provision of information to television media for dissemination through the telecast system?

2. Whether he will furnish brief details of information likely to be provided, indicating the expected costs both to the department, authority or agency and to the television media?

Mr TREZISE (Minister for Youth, Sport and Recreation)—The answer is:

No such investigation has been undertaken.

NON-GOVERNMENT ORGANIZATIONS UNDER DEPARTMENT OF YOUTH, SPORT AND RECREATION

(Question No. 1582)

Mr WILLIAMS (Doncaster) asked the Minister for Youth, Sport and Recreation:

In respect of each quasi-autonomous non-Government organization within his administration whether he will furnish a detailed schedule showing for the latest available year—(*a*) the number of employees; (*b*) the revenue surplus or deficit; (*c*) contributions to subscribed capital by—(i) Government; and (ii) non-government sources; (*d*) total net worth; (*e*) total assets; (*f*) total liabilities; (*g*) percentage rate of return or loss on —(i) capital; (ii) net worth and (iii) total assets; (*h*) total revenues and expenditures; (*j*) percentage profit or loss on revenues—(i) before contributions or levies paid to the Treasury; and (ii) after such payments; (*k*) total borrowings; (*l*) total reinvestment of—(i) surplus funds and reserves; (ii) provisions; and (iii) any other funds; (*m*) the date of the last annual report presented to Parliament; (*n*) powers to fix prices, rates, tariffs, levies or otherwise impose charges; (*o*) cost of services provided at less than prevailing market rates to—(i)

other Government departments, agencies and authorities; and (ii) other customers; (*p*) powers to search and detain; (*q*) whether a register of interests of office holders is kept; (*r*) method of appointment of senior office holders indicating in respect of such officers—(i) their names; (ii) the dates of first appointment and successive re-appointments; and (iii) the expiry date of present term of office; and (*s*) date at which enabling powers were last reviewed?

Mr TREZISE (Minister for Youth, Sport and Recreation)—The answer is:

I am not prepared to answer this question in view of the difficulty and time that would be involved in extracting the information. If the honourable member has any specific requirement in this regard, I would be pleased to consider the matter again.

LANDS DEPARTMENT PUBLIC RELATIONS EXPENDITURE

(Question No. 1621)

Mr WILLIAMS (Doncaster) asked the Minister of Public Works, for the Minister of Lands:

What is the purpose of the total public relations expenditure for departments, authorities and agencies within his administration in respect of the main categories of expenditure for 1982–83?

Mr SIMPSON (Minister of Public Works)—The answer supplied by the Minister of Lands is:

It is Government policy not to spend public money on public relations unless it is necessary to inform the public of Government services available to them and the Department of Crown Land and Survey's expenditure is consistent with that policy.

LANDS DEPARTMENT COMMUNICATION SYSTEMS

(Question No. 1626)

Mr WILLIAMS (Doncaster) asked the Minister of Public Works, for the Minister of Lands:

1. Whether any department, authority or agency within his administration is installing an automated text communication system, and at what cost?

2. Whether any such system will be linked to any public media group; if so which group or groups?

3. Which offices are connected to special Telecom land lines?

Mr SIMPSON (Minister of Public Works)—The answer supplied by the Minister of Lands is:

In answering this question it is assumed that the honourable member is referring to telex and facsimile transfer machines.

Then the answers to the specific items are:

1. No.
2. Not applicable.
3. None.

INJURIES TO EMPLOYEES OF LANDS DEPARTMENT

(Question No. 1861)

Mr WILLIAMS (Doncaster) asked the Minister of Public Works for the Minister of Lands:

1. How many employees of departments, authorities and agencies within his administration were injured during 1981?

2. How many injuries were reported during the year?

3. How many man-hours were lost as a result of the injuries?

4. What was the total proportion of man-hours lost through injury to total man-hours worked?

Mr SIMPSON (Minister of Public Works)—The answer supplied by the Minister of Lands is:

1. 276.
2. 276.
3. 16191.
4. 0·55 per cent.

LICENCES ISSUED UNDER JURISDICTION OF MINISTER FOR YOUTH, SPORT AND RECREATION

(Question No. 1936)

Mr WILLIAMS (Doncaster) asked the Minister for Youth, Sport and Recreation:

What age limits apply in regard to each licence issued pursuant to legislation, including subordinate legislation, administered by departments, agencies and authorities within his jurisdiction?

Mr TREZISE (Minister for Youth, Sport and Recreation)—The answer is:

Age limits apply to two classes of licences issued pursuant to legislation administered by authorities

within the jurisdiction of the Minister for Youth, Sport and Recreation. They are—

(*a*) The Professional Boxing Control Act 1975 provides that no person under the age of eighteen years may be registered as a professional boxer.

(*b*) The Racing Act 1958 authorizes the Bookmakers and Bookmakers' Clerks Registration Committee to grant a certificate of registration as a bookmaker to any person not less than eighteen years of age.

ISSUE OF BETTING TICKETS FOR TOTALIZATOR AGENCIES

(Question No. 1990)

Mr WILLIAMS (Doncaster) asked the Minister for Youth, Sport and Recreation:

What orders were placed in each of the past three years for the issue of betting tickets for totalizator agencies showing the—(*a*) number of tickets printed in the respective denominations; (*b*) name or names of the printing firm or firms supplying such tickets; and (*c*) number of tickets used each week on the respective denominations during—(i) the spring racing carnival peak; and (ii) the slackest month of the year for racing?

Mr TREZISE (Minister for Youth, Sport and Recreation)—The answer is:

(*a*) and (*b*) The Board utilizes both betting tickets and mark sense cards. The betting tickets are standard for all bet types whilst the mark sense cards vary by bet type.

The quantities are as follows:

**Betting Tickets*

1980—66 million from Thornquest Press Pty Ltd, Adelaide.

1981—300 million from Thornquest Press Pty Ltd, Adelaide.

1982—178 million from Thornquest Press Pty Ltd, Adelaide.

**Mark Sense Cards*

1980—8·6 million from Bradford Printing Company, Melbourne.

1981—166·9 million from Bradford Printing Company, Melbourne.

77 million from Thornquest Press Pty Ltd, Adelaide.

1982—139 million from Bradford Printing Company, Melbourne.

27·75 million from Thornquest Press Pty Ltd, Adelaide.

(*c*) *Tickets Issued*

(i) Week ended 23.10.82—3 190 689
Week ended 30.10.82—2 953 524
Week ended 6.11.82—5 748 913
Week ended 13.11.82—2 932 936

(ii) Week ended 7.8.82—2 391 494
Week ended 14.8.82—2 756 207
Week ended 21.8.82—2 849 708
Week ended 28.8.82—2 882 023

TOTALIZATOR AGENCY BOARD

(Question No.1994)

Mr WILLIAMS (Doncaster) asked the Minister for Youth, Sport and Recreation:

1. How many telephone accounts were registered with the Totalizator Agency Board as at 30 June in each of the past five years?

2. What was the amount of unclaimed Totalizator Agency Board dividends for each of the past five years?

Mr TREZISE (Minister for Youth, Sport and Recreation)—The answer is:

1. Detailed records have not been retained concerning the number of Telephone Betting accounts for the period requested, however, when the CRISP Telephone Betting System commenced in June, 1979, 64 000 accounts were established.

In July, 1980, the number was 104 885, July, 1981—121 996 and July, 1982—138 789.

2. Unclaimed Dividends—

1977-78—$2 706 619
1978-79—$2 831 208
1979-80—$2 889 998
1980-81—$2 911 989
1981-82—$2 730 136

DEPARTMENT OF YOUTH, SPORT AND RECREATION CORPORATE PLAN

(Question No. 2039)

Mr WILLIAMS (Doncaster) asked the Minister for Youth, Sport and Recreation:

Whether a corporate plan has been prepared for all departments, agencies and authorities within his administration showing—(*a*) overall objectives; (*b*) objectives of divisions and sections; (*c*) strategies to be used for meeting objectives; (*d*) priority and timing of strategies used; (*e*) persons responsible for directing strategies; (*f*) criteria for judging effectiveness; and (*g*) the system for monitoring level of effectiveness; if so—(i) where such plan may be inspected; and (ii) whether he would cause such plan to be incorporated in *Hansard*; if not, when it is anticipated that such plan will be available for the information of the member for Doncaster?

Mr TREZISE (Minister of Youth, Sport and Recreation)—The answer is:

It is the Government's policy that the matters referred to in the question be addressed by departments as part of the overall programme aimed at increasing the efficiency and effectiveness of public administration in Victoria and introducing modern management techniques. Accordingly, within my administration. However, the question of the availability of this plan is unable to be addressed at this time.

EQUAL OPPORTUNITY PROGRAMME WITHIN THE MINISTRY OF HOUSING

(Question No. 2246)

Mr WILLIAMS (Doncaster) asked the Minister of Housing:

With reference to the answers to question No. 588 given by the Minister of Agriculture on 14 December 1982, question No. 606 given by the Minister for Community Welfare Services on 17 December 1982 and question No. 804 given by the Minister for Conservation on 3 November 1982:

1. Whether the departments, authorities and agencies within the Minister's administration have established an Equal Opportunity Committee: if so, when each first met and what are the duties of such committees?

2. What surveys have been instituted to—(*a*) compare the positions of men and women in terms of their classification level, qualification, length of service and general career profile; (*b*) identify those factors which have inhibited the career development of women; and (*c*) indicate what action is required to eliminate these inhibiting factors?

3. What strategies are being designed to implement the aims of the Government's Equal Opportunity programme, including—(*a*) consultation with staff; and other interested parties; (*b*) dissemination of information; (*c*) incorporation of equal opportunity into staff training and development programmes; (*d*) career counselling; and (*e*) monitoring of practices by data collection, questionnaires and surveys?

4. What action is being taken to encourage women to participate in management development programmes which are aimed at providing training for potential middle-managers?

Mr CATHIE (Minister of Housing)—The answer is:

1. No.

2. No surveys have been conducted to determine factors related to (*a*), (*b*) and (*c*).

3. (*a*) Consultation with staff. When staff request counselling, the Equal Opportunity Policy is stated if appropriate, that is, if the inquiry relates to it in any way. Examples might include supervision matters, selection, discipline.

(*b*) Dissemination of information. The Ministry distributes all information received to divisional heads and ensures that copies are placed on notice boards.

(*c*) Staff Development/Training. Recent seminars in selection interviewing have required participants to read the Equal Employment Opportunity Selection Guidelines and the guidelines have been discussed subsequently. Participants have had the opportunity to ask questions so as to clarify these guidelines.

(*d*) Career Counselling. Although the Ministry has no formal programme in Equal Opportunity, the principle of equal opportunity in career advancement is fundamental to its philosophy. Whenever staff are advised on sensible plans for their career, the only factors taken into account, in defining the limits of their likely career direction, are their qualifications, skills and experience. Efforts are made to provide all officers with the sort of training which will make them better candidates for careers of their preference.

(*e*) Monitoring of Practices. At this stage, staff have not been requested to complete questionnaires nor has a survey been conducted in relation to the Government's Equal Opportunity Programme.

4. The Ministry intends to increase its activities in providing training for women as potential middle managers during 1983.

REVENUE COLLECTED BY TREASURY

(Question No. 2366)

Mr WILLIAMS (Doncaster) asked the Treasurer:

With respect to revenue collected from the general public by departments, instrumentalities, authorities and agencies under his administration what amounts were actually banked in respect of each month since April 1981?

Mr JOLLY (Treasurer)—The answer is:

I am not prepared to answer this question as the time and effort required to do so cannot be justified.

REVENUE COLLECTED BY LOCAL GOVERNMENT DEPARTMENT

(Question No. 2374)

Mr WILLIAMS (Doncaster) asked the Minister for Local Government:

With respect to revenue collected from the general public by departments, instrumentalities, authorities and agencies under his administration what amounts were actually banked in respect of each month since April 1981?

Mr WILKES (Minister for Local Government)—The answer is:

I am not prepared to answer this question as the time and effort required to do so cannot be justified.

MINISTRY OF HOUSING SOCIAL WORKERS

(Question No. 2398)

Mr BROWN (Westernport) asked the Minister of Housing:

1. How many social workers he has appointed to Ministry of Housing estates since 30 April 1982?

2. What are the names of such employees indicating—(*a*) the estate on which each is working; (*b*) whether each appointment is—(i) permanent; (ii) temporary; or (iii) on a consultancy basis; (*c*) the annual salary; and (*d*) the qualification of each person so appointed?

Mr CATHIE (Minister of Housing)—The answer is:

1. The Ministry of Housing has not engaged any person or persons since 30 April, 1982, who hold qualifications that would make them eligible for admittance to the Australian Association of Social Workers.

2. Not applicable.

ENTRY TO PRIVATE PREMISES

(Question No. 2433)

Mr WILLIAMS (Doncaster) asked the Minister of Housing:

1. Which departments, agencies and authorities within his administration have right of entry to private premises to—(*a*) interrogate and/or arrest persons; (*b*) inspect and/or seize documents, records, land and objects growing, built or otherwise located thereon; (*c*) sell or otherwise dispose of anything so seized; (*d*) discontinue or otherwise interfere with an individual's civil rights to benefits, services or any other privilege as a result of such entry; or (*e*) impose any penalty or other sanction for breach of the law?

2. What are the broad details of such powers, indicating their legal basis?

Mr CATHIE (Minister of Housing)—The answer is:

1. (*a*) No departments, agencies or authorities within the administration of the Ministry of Housing have the right of entry to private premises to interrogate and/or arrest persons.

(*b*) and (*c*) No departments, agencies or authorities within the administration of the Ministry of Housing have the right of entry to private premises to inspect and/or seize documents or records located thereon. Under the Housing Act 1958, section 56 (5) the Housing Commission may, in respect of a house which it has declared unfit for human habitation or in a state of disrepair, effect repairs to the house, or demolish it or clear the site which it formerly occupied and the commission may sell or dispose of the material taken from the house and apply the proceeds towards the expenses incurred by it.

Pursuant to section 114 of the Housing Act the Housing Commission or any of its officers or other persons authorized by it may enter any premises at a reasonable hour for the purpose of:

(*a*) examining the condition, standard of sanitation and hygiene and state of repair of the premises;

(*b*) ascertaining whether the Act or any regulation thereunder has been contravened;

(*c*) ascertaining whether a movable unit hiring agreement is being or has been observed;

(*d*) executing any work or making any inspection authorized to be executed or made by or under the Act, and

(*e*) enforcing the provisions of the Act.

(*d*) Other than the rights of the Housing Commission referred to in 1 (*b*) above, no departments, agencies and authorities within the administration of the Ministry of Housing have right of entry to private premises to discontinue or otherwise interfere with an individual's civil rights to benefits, services or any other privilege as a result of such entry.

(*e*) No departments, agencies and authorities within the administration of the Minister of Housing have right of entry to private premises to impose any penalty or other sanction for breach of the law.

QUESTIONS ON NOTICE

The following answers to questions on notice were circulated—

FORESTS COMMISSION OIL CONSUMPTION

(Question No. 388)

Mr WILLIAMS (Doncaster) asked the Minister of Public Works, for the Minister of Forests:

What steps have been taken to conserve oil consumption within departments, authorities and agencies within his administration by instituting—(*a*) cost/benefit studies into employee flexi-time and off-base location; (*b*) replacement of oil-powered energy with solar power; and (*c*) better use of energy through methods, engineering and personnel training?

Mr SIMPSON (Minister of Public Works)—The answer supplied by the Minister of Forests is:

The Government is establishing, within the Department of Minerals and Energy, the Government Energy Management Programme to assist all departments and agencies in the systematic reduction of energy consumption.

For a more comprehensive reply to this question please refer to the Minister for Minerals and Energy's answer to Question on Notice No. 370.

MINISTRY FOR POLICE AND EMERGENCY SERVICES OIL CONSUMPTION

(Question No. 838)

Mr WILLIAMS (Doncaster) asked the Minister for Police and Emergency Services:

What steps have been taken to conserve oil consumption within departments, authorities and agencies within his administration by instituting—(*a*) cost/benefit studies into employee flexi-time and off-base location; (*b*) replacement of oil-powered energy with solar power; and (*c*) better use of energy through methods, engineering and personnel training?

Mr MATHEWS (Minister for Police and Emergency Services)—The answer is:

The Government is establishing, within the Department of Minerals and Energy, the Government Energy Management Programme to assist all departments and agencies in the systematic reduction of energy consumption.

For a more comprehensive reply to this question, please refer to the answer of the Minister for Minerals and Energy to Question on Notice No. 370.

FORMS ISSUED BY FORESTS COMMISSION

(Question No. 987)

Mr WILLIAMS (Doncaster) asked the Minister of Public Works, for the Minister of Forests:

Whether he is taking action to ensure that all forms issued by departments, authorities and agencies within his administration conform to the requirements of social relevance and language comprehension in 1982; if so, what action; if not, whether he will take such action?

Mr SIMPSON (Minister of Public Works)—The answer supplied by the Minister of Forests is:

Forms issued by the agencies under my control are under constant review. However, if the honourable member has any particular form he considers should be revised from the viewpoint of social relevance and language comprehension in 1982, I would be happy to receive his advice.

SUPPLY OF GOODS AND SERVICES TO FORESTS COMMISSION

(Question No. 1331)

Mr WILLIAMS (Doncaster) asked the Minister of Public Works, for the Minister of Forests:

Whether any steps have been taken to increase the supply of goods and services by Government-owned enterprises to departments, agencies and authorities within his administration; if so, what steps; if not, whether such action will be taken?

Mr SIMPSON (Minister of Public Works)—The answer supplied by the Minister of Forests is:

No such steps have been taken as they are considered to be unnecessary.

AIR-CONDITIONING IN BUILDINGS OF FORESTS COMMISSION

(Question No. 1332)

Mr WILLIAMS (Doncaster) asked the Minister of Public Works, for the Minister of Forests:

1. What steps the Minister is taking to provide air-conditioning in all buildings within his administration?

2. What proportion of personnel in departments, authorities and agencies within his administration are now enjoyng the benefit of air-conditioning?

Mr SIMPSON (Minister of Public Works)—The answer supplied by the Minister of Forests is:

1. None.
2. Fifty-two per cent.

OVERSEAS TRIPS BY OFFICERS UNDER FORESTS COMMISSION

(Question No. 1333)

Mr WILLIAMS (Doncaster) asked the Minister of Public Works, for the Minister of Forests:

1. How many officers of departments, authorities or agencies within the Minister's administration were sent overseas in 1981-82 and how many will be sent overseas in 1982-83?

2. What was the cost of such visits in 1981-82 and what is the expected cost during 1982-83?

Mr SIMPSON (Minister of Public Works)—The answer supplied by the Minister of Forests is:

1. and 2.

	1981-82	1982-83 *(estimated)*
Officers on Official travel overseas	8*	3
Cost of such travel	$20 300	$18 100

*Includes three officers who travelled in a private capacity but were on duty for short periods during such travel.

FORESTS COMMISSION AND REPORTS OF STATE CO-ORDINATION COUNCIL

(Question No. 1334)

Mr WILLIAMS (Doncaster) asked the Minister of Public Works, for the Minister of Forests:

Whether any steps have been taken to improve the standard of reports by the State Co-ordination Council; if so, what steps; if not, whether such action will be taken?

Mr SIMPSON (Minister of Public Works)—The answer supplied by the Minister of Forests is:

As the State Co-ordination Council is administered by the Department of the Premier and Cabinet, please refer to the Premier's answer to Question on Notice No. 1091.

ADVERTISING AND PUBLIC RELATIONS SERVICES USED BY FORESTS COMMISSION

(Question No. 1335)

Mr WILLIAMS (Doncaster) asked the Minister of Public Works, for the Minister of Forests:

What—(*a*) advertising agency services; and (*b*) public relations sources, are retained, used or have been used in the period since 3 April 1982 by departments, agencies and authorities within the Minister's administration, specifying in each case—(i) the name of the firm or agency used and whether such firm or agency was used for a general or specific purpose; and (ii) the amounts paid to such firms or agencies?

Mr SIMPSON (Minister of Public Works)—The answer supplied by the Minister of Forests is:

(*a*) (i) Neilson, McCarthy, McFarling and Co. engaged to produce a quarterly newsletter for the Forests Commission.

(ii) Costs—$3188.

(*b*) (i) Russell, Curtis and James Pty. Ltd. engaged by the Timber Promotion Council for general timber promotion purposes.

(ii) Cost—$1125.

SUBSIDIES AND GRANTS AVAILABLE FROM FORESTS COMMISSION

(Question No. 1337)

Mr WILLIAMS (Doncaster) asked the Minister of Public Works, for the Minister of Forests:

What steps the Minister has taken to provide a consolidated and easily comprehensible compendium of all subsidies and grants available from all departments, agencies and authorities within his administration?

Mr SIMPSON (Minister of Public Works)—The answer supplied by the Minister of Forests is:

The Forests Commission operates the Farm Forestry Loan Scheme and the Tree Growing Assistance

Scheme which provide financial assistance to the public for tree-growing purposes. Both schemes are widely publicized in Commission brochures and the press and at agricultural and forestry exhibitions held throughout Victoria.

MOTOR VEHICLES WITHIN JURISDICTION OF FORESTS COMMISSION

(Question No. 1338)

Mr WILLIAMS (Doncaster) asked the Minister of Public Works, for the Minister of Forests:

1. What is the total number of vehicles operated, leased or otherwise used by departments, authorities and agencies within the administration of the Minister?

2. How many are air-conditioned?

3. Whether steps are being taken to improve this ratio, if so, what steps; if not, why?

Mr SIMPSON (Minister of Public Works)—The answer supplied by the Minister of Forests is:

1. The Forests Commission owns and operates 644 motor vehicles and hires additional vehicles as required, generally for short periods. In 1981–82 the number of vehicles hired was 474.

2. Eleven.

3. New vehicles are equipped with air-conditioning units in accordance with the Victorian Government Motor Transport Committee Statement of Practices.

INTERPRETERS WITHIN ADMINISTRATION OF FORESTS COMMISSION

(Question No. 1339)

Mr WILLIAMS (Doncaster) asked the Minister of Public Works, for the Minister of Forests:

1. How many interpreters are employed by departments, agencies and authorities within his adminstration, indicating the languages other than English spoken?

2. In which offices such interpreters are located?

3. Whether such interpreters are employed on a full-time or part-time basis, indicating the numbers employed in each category?

4. Whether officers undertaking private courses in foreign languages receive any Government assistance?

Mr SIMPSON (Minister of Public Works)—The answer supplied by the Minister of Forests is:

1, 2 and 3. No interpreters are employed.

4. Officers receiving instruction in foreign languages as part of approved courses of study may be granted leave of absence with or without pay to enable them to attend such courses or examinations.

MOTOR VEHICLES WITHIN JURISDICTION OF LANDS DEPARTMENT

(Question No. 1347)

Mr WILLIAMS (Doncaster) asked the Minister of Public Works, for the Minister of Lands:

1. What is the total number of vehicles operated, leased or otherwise used by departments, authorities and agencies within the administration of the Minister?

2. How many are air-conditioned?

3. Whether steps are being taken to improve this ratio; if so, what steps; if not, why?

Mr SIMPSON (Minister of Public Works)—The answer supplied by the Minister of Lands is:

1. 385.

2. 15.

3. Air conditioning is fitted to vehicles in accordance with guidelines set by the Victorian Government Motor Transport Committee.

DEPARTMENT OF AGRICULTURE COMMUNICATIONS

(Question No. 1607)

Mr WILLIAMS (Doncaster) asked the Minister for Local Government, for the Minister of Agriculture:

What was the expenditure by all departments, authorities and agencies within his administration in 1981–82 together with the estimate for 1982–83 in the following categories—(*a*) stamps; (*b*) telegrams; (*c*) telex services; (*d*) Telecom land lines; (*e*) printing and stationery; and (*f*) advertising?

Mr WILKES (Minister for Local Government)—The answer supplied by the Minister of Agriculture is:

Agencies	1981-82 (a)	(b)	(c)	(d)	(e)	(f)	1982-1983 (a)	(b)	(c)	(d)	(e)	(f)
Department of Agriculture	120 464	865	69 887	10 758	289 665	57 642	138 200	1 000	77 000	17 840	318 630	63 400
Australian Barley Board	12 862	Nil	1 884	14 621	14 344	163	3 895	Nil	623	15 000	4 674	55
Citrus Fruit Marketing Board	703	Nil	Nil	Nil	1 714	Nil	700	Nil	Nil	Nil	1 000	Nil
Grain Elevators Board (1)	26 893	1 254	17 814	2 044	228 043	30 660	36 865	605	19 411	3 028	153 642	12 170
Melbourne Wholesale Fruit and Vegetable Market Trust	4 380	Nil	Nil	Nil	28 239	Nil	5 668	200	Nil	Nil	25 000	Nil
Tobacco Leaf Marketing Board	2 077	Nil	Nil	Nil	2 981	148	2 200	Nil	Nil	Nil	3 900	230
Veterinary Board of Victoria	1 350	Nil	Nil	Nil	3 100	Nil	1 600	Nil	Nil	Nil	3 600	Nil
Victorian Dairy Industry Authority	16 340	10 764 (2)		Nil	40 067	11 519 (3)	24 000	15 000 (2)		6 406	75 617	14 000 (3)
Victorian Dried Fruits Board	836	Nil	Nil	Nil	2 863	72	1 200	Nil	Nil	Nil	3 500	200
Victorian Egg Marketing Board	19 706	401	1 723	Nil	128 713	792 873	21 677	500	3 000	Nil	141 584	100 159
Western Metropolitan Market Trust	75	Nil	Nil	Nil	45	Nil	100	Nil	Nil	Nil	200	Nil

Explanatory Notes

(1) Includes costs of the Country, Geelong and Portland Grain Handling Improvement Authorities.

(2) These figures include the cost of telegrams.

(3) These figures relate to administrative advertising only. The cost of milk promotional advertising is not included. This is commercial information that should not be disclosed to the Authority's competitors in the non-alcoholic beverage market.

FORESTS COMMISSION WORKS AND SERVICES

(Question No. 1610)

Mr WILLIAMS (Doncaster) asked the Minister of Public Works, for the Minister of Forests:

Whether steps have been taken to reduce the dependence of departments, agencies and authorities within his administration on outside provision of works and services; if so, what steps; if not, whether such action will be taken?

Mr SIMPSON (Minister of Public Works)—The answer supplied by the Minister of Forests is:

Government agencies such as the Public Works Department and the Government Printing Office along with internal facilities are used for the provision of works and services wherever possible. Where it is necessary to go outside the Government sector for the provision of these services, Tender Board guidelines and Treasury regulations are followed.

INFORMATION SUPPLIED TO TELEVISION MEDIA BY FORESTS COMMISSION

(Question No. 1611)

Mr WILLIAMS (Doncaster) asked the Minister of Public Works, for the Minister of Forests:

1. What investigations have been undertaken by departments, authorities and agencies within his administration into the provision of information to television media for dissemination through the telecast system?

2. Whether he will furnish brief details of information likely to be provided, indicating the expected costs both to the department, authority or agency and to the television media?

Mr SIMPSON (Minister of Public Works)—The answer supplied by the Minister of Forests is:

1. No such investigations have been undertaken.

2. Not applicable.

FORESTS COMMISSION PUBLIC RELATIONS EXPENDITURE

(Question No. 1612)

Mr WILLIAMS (Doncaster) asked the Minister of Public Works, for the Minister of Forests:

What is the purpose of the total public relations expenditure for departments, authorities and agencies within his administration in respect of the main categories of expenditure for 1982–83?

Mr SIMPSON (Minister of Public Works)—The answer supplied by the Minister of Forests is:

It is Government policy not to spend public money on public relations unless it is necessary to inform the public of Government services available to them and agencies within my jurisdiction conform to that policy.

INTERNAL AUDITORS UNDER FORESTS COMMISSION

(Question No. 1613)

Mr WILLIAMS (Doncaster) asked the Minister of Public Works, for the Minister of Forests:

How many internal auditors were employed by departments, authorities and agencies within his administration in 1981–82 and what is the estimate for 1982–83?

Mr SIMPSON (Minister of Public Works)—The answer supplied by the Minister of Forests is:

1981–82: One.

1982–83: Two.

FORESTS COMMISSION EXPENDITURE

(Question No. 1615)

Mr WILLIAMS (Doncaster) asked the Minister of Public Works, for the Minister of Forests:

1. In respect of departments, agencies and authorities within his administration, what proportion of the expenditure in 1981–82 will be recovered from—(*a*) individual and corporate users; (*b*) Victorian Government taxes and charges; (*c*) other Victorian Government departments; (*d*) Commonwealth Government grants; and (*e*) other sources?

2. What are the estimated proportions for recouping such expenditure in 1982–83?

Mr SIMPSON (Minister of Public Works)—The answer supplied by the Minister of Forests is:

To provide this information would place an unwarranted strain on limited staff resources. The honourable member, however, should refer to the Budget papers for an overall view of the situation.

FORESTS COMMISSION COMMUNICATION SYSTEMS

(Question No. 1617)

Mr WILLIAMS (Doncaster) asked the Minister of Public Works, for the Minister of Forests:

1. Whether any department, authority or agency within his administration is installing an automated text communication system, and at what cost?

2. Whether any such system will be linked to any public media group; if so, which group or groups?

3. Which offices are connected to special Telecom land lines?

Mr SIMPSON (Minister of Public Works)—The answer supplied by the Minister of Forests is:

In answering this question, it is assumed that the honourable member is referring to telex and facsimile transfer machines.

1. No.

2. Not applicable.

3. The Forests Commission is linked to the Commonwealth Meteorological Bureau by Telecom land line for the transmission of information used for fire protection purposes.

NON-GOVERNMENT ORGANIZATIONS UNDER FORESTS COMMISSION

(Question No. 1618)

Mr WILLIAMS (Doncaster) asked the Minister of Public Works, for the Minister of Forests:

In respect of each quasi-autonomous non-Government organization within his administration whether he will furnish a detailed schedule showing for the latest available year—(*a*) the number of employees; (*b*) the revenue surplus or deficit; (*c*) contributions to subscribed capital by—(i) Government; and (ii) non-government sources; (*d*) total net worth; (*e*) total assets; (*f*) total liabilities; (*g*) percentage rate of return or loss on —(i) capital; (ii) net worth and (iii) total assets; (*h*) total revenues and expenditures; (*j*) percentage profit or loss on revenues—(i) before contributions or levies paid to the Treasury; and (ii) after such payments; (*k*) total borrowings; (*l*) total reinvestment of—(i) surplus funds

and reserves; (ii) provisions; and (iii) any other funds; (*m*) the date of the last annual report presented to Parliament; (*n*) powers to fix prices, rates, tariffs, levies or otherwise impose charges; (*o*) cost of services provided at less than prevailing market rates to—(i) other Government departments, agencies and authorities; and (ii) other customers; (*p*) powers to search and detain; (*q*) whether a register of interests of office holders is kept; (*r*) method of appointment of senior office holders indicating in respect of such officers—(i) their names; (ii) the dates of first appointment and successive re-appointments; and (iii) the expiry date of present term of office; and (*s*) date at which enabling powers were last reviewed?

Mr SIMPSON (Minister of Public Works)—The answers supplied by the Minister of Forests is:

I am not prepared to answer this question in view of the difficulty and time that would be involved in extracting the information required. If the honourable member has any specific requirement in regard to this matter, I would be pleased to consider that requirement separately.

FLYING OF STATE FLAG BY FORESTS COMMISSION

(Question No. 1852)

Mr WILLIAMS (Doncaster) asked the Minister of Public Works, for the Minister of Forests:

1. What steps have been taken to ensure that State flags are flown each day on all flag poles on Government buildings within his administration?

2. If no steps have been taken, why?

Mr SIMPSON (Minister of Public Works)—The answer supplied by the Minister of Forests is:

The Government supports the flying of the Victorian flag on all State buildings and the Forests Commission is aware of this policy.

USE OF DAY LABOUR BY FORESTS COMMISSION

(Question No. 1854)

Mr WILLIAMS (Doncaster) asked the Minister of Public Works, for the Minister of Forests:

1. How many contracts for work to be performed by departments, agencies and authorities within his administration will be carried out by "day labour" in 1982-83?

2. What percentage of total contracts awarded this represents?

3. What is the total value of contracts which it is estimated will be let in 1982-83 and what is the estimated value of contracts awarded to day labour?

Mr SIMPSON (Minister of Public Works)—The answer supplied by the Minister of Forests is:

1. Nil.

2. Nil.

3. Estimated total value of contracts let in 1982-83: $745 500. Estimated value of contracts awarded to day labour: Nil.

BRIBES PAYABLE TO OFFICERS OF FORESTS COMMISSION

(Question No. 1855)

Mr WILLIAMS (Doncaster) asked the Minister of Public Works, for the Minister of Forests:

1. Whether he is aware of the obligations of all American listed corporations to file returns with the United States Securities and Exchange Commission listing bribes payable to public officials within the United States and overseas countries?

2. What steps he has taken to ascertain whether the name of any official within the employ of any department, agency or authority within his administration is included in such list, and if no steps have been taken, why?

Mr SIMPSON (Minister of Public Works)—The answer supplied by the Minister of Forests is:

I consider this question not to be worthy of a reply.

INJURIES TO EMPLOYEES OF FORESTS COMMISSION

(Question No. 1856)

Mr WILLIAMS (Doncaster) asked the Minister of Public Works, for the Minister of Forests:

1. How many employees of departments, authorities and agencies within his administration were injured during 1981?

2. How many injuries were reported during the year?

3. How many man-hours were lost as a result of the injuries?

4. What was the total proportion of man-hours lost through injury to total man-hours worked?

Mr SIMPSON (Minister of Public Works)—The answer supplied by the Minister for Forests is:

1 and 2. 554 work injuries were reported during 1981.

3. 30 196 man-hours.

4. 0·93 per cent.

REPAIRS TO MOTOR VEHICLES OF LANDS DEPARTMENT

(Question No. 1858)

Mr WILLIAMS (Doncaster) asked the Minister of Public Works, for the Minister of Lands:

1. Which garages handle motor repair work for all motor vehicles within his administration?

2. Whether this work is allocated by tender or otherwise, indicating the cost per hour or other basis of cost determination?

Mr SIMPSON (Minister of Public Works)—The answer supplied by the Minister of Lands is:

1. Apart from repairs which are effected under warranty by manufacturer's dealerships, Melbourne-based vehicles are repaired at the Public Works Department garage in Victoria Parade, East Melbourne, country-based vehicles at departmental workshops throughout the State, and in local garages in cases of emergency or urgency in remote areas.

2. Emergency or urgent repairs are effected at the most convenient and quickest local repair centre.

LICENCES ISSUED UNDER JURISDICTION OF MINISTER OF FORESTS

(Question No. 1940)

Mr WILLIAMS (Doncaster) asked the Minister of Public Works, for the Minister of Forests:

What age limits apply in regard to each licence issued pursuant to legislation, including subordinate legislation, administered by departments, agencies and authorities within his jurisdiction?

Mr SIMPSON (Minister of Public Works)—The answer supplied by the Minister of Forests is:

No age limits are specified in the Forests Act 1958.

FORESTS COMMISSION CORPORATE PLANS

(Question No. 2043)

Mr WILLIAMS (Doncaster) asked the Minister of Public Works, for the Minister of Forests:

Whether a corporate plan has been prepared for all departments, agencies and authorities within his administration showing—(*a*) overall objectives; (*b*) objectives of divisions and sections; (*c*) strategies to be used for meeting objectives; (*d*) priority and timing of strategies used; (*e*) persons responsible for directing strategies; (*f*) criteria for judging effectiveness; and (*g*) the system for monitoring level of effectiveness; if so—(i) where such plan may be inspected; and (ii) whether he would cause such plan to be incorporated in *Hansard*; if not, when it is anticipated that such plan will be available for the information of the member for Doncaster?

Mr SIMPSON (Minister of Public Works)—The answer supplied by the Minister of Forests is:

It is the Government's policy that the matters referred to in the question be addressed by departments as part of the overall programme aimed at increasing the efficiency and effectiveness of public administration in Victoria and introducing modern management techniques. Accordingly, such a corporate plan will be developed within my administration. However, the question of the availability of this plan is unable to be addressed at this time.

USE OF VISUAL DISPLAY UNITS IN FORESTS COMMISSION

(Question No. 2109)

Mr WILLIAMS (Doncaster) asked the Minister of Public Works, for the Minister of Forests:

1. How many visual display units are in use in departments, agencies and authorities within his administration?

2. What plans there are to increase this number, indicating the size of any increase?

Mr SIMPSON (Minister of Public Works)—The answer supplied by the Minister of Forests is:

1. Nine.

2. Information systems requirements are continually being examined.

QUESTIONS ON NOTICE DIRECTED TO FORESTS COMMISSION

(Questions No. 2110)

Mr WILLIAMS (Doncaster) asked the Minister of Public Works, for the Minister of Forests:

1. What are the details of arrangements for the answering of questions on notice directed to him with respect to responsible officers on his personal staff and/or within departments, agencies or authorities within his administration charged with the duty of—(*a*)

examining the question asked; and (*b*) preparing the answer?

2. Whether he has sought any reports on the large number of questions on the notice paper addressed to him which remain unanswered; if not, why?

3. Whether he has instigated any measures to facilitate the answering of questions on notice; if not, why?

Mr SIMPSON (Minister of Public Works)—The answer supplied by the Minister of Forests is:

1. Answers to questions on notice are prepared in the Forests Commission by the relevant Head Office divisions and co-ordinated by the Secretariat.

2. No. I am confident that the Commission is providing answers to questions as efficiently as possible given the large numbers directed to my Ministry by the honourable member and the limited resources available to research and process the replies.

3. No. The existing arrangements are considered to be the best available for handling questions on notice, given the demands of priorities within this Ministry.

ALLOCATION OF FUNDS FOR FUEL REDUCTION BURNS

(Question No. 2304)

Mr DICKINSON (South Barwon) asked the Minister for Public Works for the Minister of Forests:

Whether additional funds will be allocated to the Country Fire Authority and Forests Commission workers to carry out effective fuel reduction burns—(*a*) on 20 000 hectares of Crown land in the electoral district of South Barwon; and (*b*) other Crown land in Victoria; if so, what amount; if not, whether the Government will provide these funds during the course of this financial year?

Mr SIMPSON (Minister for Public Works)—The answer supplied by the Minister of Forests is:

The Forests Commission is the agency responsible for fire protection works on Crown land in Victoria. The Commission's fuel reduction burning programme for the remainder of the 1982-83 financial year will, subject to suitable weather and fuel conditions, be carried out at the following estimated total costs for labour, transport, stores and overheads:

(*a*) Crown land in Geelong and Otways forests districts which partly lies within the electoral district of South Barwon	$12 500
(*b*) Other Crown land in Victoria	$327 500

REVENUE COLLECTED BY MINISTRY FOR POLICE AND EMERGENCY SERVICES

(Question No. 2386)

Mr WILLIAMS (Doncaster) asked the Minister for Police and Emergency Services:

With respect to revenue collected from the general public by departments, instrumentalities, authorities and agencies under his administration what amounts were actually banked in respect of each month since April 1981?

Mr MATHEWS (Minister for Police and Emergency Services)—The answer is:

I am not prepared to answer this question as the time and effort required to do so cannot be justified.

MILK CONSUMPTION

(Question No. 2474)

Mr JONA (Hawthorn) asked the Minister for Local Government, for the Minister of Agriculture:

What was the consumption rate of whole milk under the control of the Milk Board per unit of population within Victoria for each of the years 1977 to 1982 inclusive?

Mr WILKES (Minister for Local Government)—The answer supplied by the Minister of Agriculture is:

1. The Milk Board ceased to exist as from 30 June, 1977.

The Victorian Dairy Industry Authority became operative as from 1 July, 1977.

2. Per capita consumption details are—

Year	*V.D.I.A. Sales (Litres '000)*	*Estimated Average Population ('000)*	*Per Capita Sales (Litres)*
1976-77	415 759	3823.5	108.7
1977-78	428 496	3850.5	111.3
1978-79	433 250	3873.0	111.9
1979-80	438 065	3896.0	112.4
1980-81	444 359	3929.0	113.1
1981-82	440 833*	3971.0	111.0

*Decrease resulted from transport strike from 17-24 July.

QUESTIONS ON NOTICE

The following answers to questions on notice were circulated—

LAW DEPARTMENT FEMALE EMPLOYEES

(Question No. 481)

Mr WILLIAMS (Doncaster) asked the Attorney-General:

1. How many women in the departments, authorities and agencies within his administration are—(*a*) first division officers or officers of comparable status: and (*b*) second division officers, indicating the positions they occupy?

2. What total percentage of first and second division employees are women?

3. What total percentage of employees are women?

Mr CAIN (Attorney-General)—The answer is:

1. (*a*) 2.—Commissioner for Corporate Affairs—Assistant Parliamentary Counsel

(*b*) 226. Positions occupied, as at 31 March, 1983, are indicated below.

Administrative Officer,	Class	A1 (2)	1
		B1	1
		B	6
		C2	6
		C1	8
		C	20
		E	84
Legal Officer,	Class	LO-8	2
		LO-6	1
		LO-5	1
		LO-3	6
		LO 1-2	19
Reporter,	Class	R-3	1
		R-2	51
Parliamentary Counsel,	Class	PA-2	1
		PA-1	3
Scientific Officer,	Class	SO-3	1
		SO-1	2
Clerk of Courts,	Class	CC-1	9
Draughting Officer,	Class	DR-1	2
		TOTAL	226

2. 17·4 per cent.

3. 31·9 per cent.

MINISTRY FOR THE ARTS TECHNOLOGY INFORMATION SYSTEMS

(Question No. 630)

Mr WILLIAMS (Doncaster) asked the Minister for the Arts:

1. Whether any steps have been taken to ensure implementations of technology information systems by departments, authorities and agencies within his administration in the areas of—(*a*) financial data; (*b*) management reports; (*c*) correspondence; (*d*) preparation and publication of documents; and (*e*) process control; if so, what steps; if not, whether he will ensure such action is taken?

2. Whether these organizations are participants in the Japanese fifth generation computer programme; if not, whether he will ensure such action is taken?

Mr MATHEWS (Minister for the Arts)—The answer is:

1. The Public Service Board is analysing strategic plans prepared by departments for their data processing and information technology requirements over the next few years as requested by the former Public Accounts and Expenditure Review Committee. This study takes in all of the areas mentioned in the question and is aimed at ensuring common standards and identifying priorities.

2. No, although the Government is aware of the programme and will be monitoring its progress.

MINISTRY OF HOUSING AND REPORTS OF STATE CO-ORDINATION COUNCIL

(Question No. 1145)

Mr WILLIAMS (Doncaster) asked the Minister of Housing:

Whether any steps have been taken to improve the standard of reports by the State Co-ordination Council; if so, what steps; if not, whether such action will be taken?

Mr CATHIE (Minister of Housing)—The answer is:

As the State Co-ordination Council is administered by the Department of the Premier and Cabinet, please

refer to the Premier's answer to Question on Notice No. 1091.

MINISTRY FOR THE ARTS COMMUNICATION SYSTEMS

(Question No. 1467)

Mr WILLIAMS (Doncaster) asked the Minister for the Arts:

1. Whether any department, authority or agency within his administration is installing an automated text communication system and at what cost?

2. Whether any such system will be linked to any public media group; if so, which group or groups?

3. Which offices are connected to special Telecom land lines?

Mr MATHEWS (Minister for the Arts)—The answer is:

In answering this question it is assumed that the honourable member is referring to telex and facsimile transfer machines.

1. There are at present three telex machines in use by agencies within my administration. These machines are rented at a cost of $146 per month each, with usage charges slightly lower than STD and ISD telephone rates.

2. Telex machines, by virtue of their system of operation, may be used to communicate with any other telex machines, some of which may be linked to a public media group.

3. No offices within my administration are connected to special Telecom land lines.

APPLICATIONS FOR APPOINTMENT AS A JUSTICE OF THE PEACE

(Question No. 2229)

Mr McGRATH (Lowan) asked the Attorney-General:

1. How many applications for appointment as a Justice of the Peace the Attorney-General has received since he took office, indicating the number which have not been successful and the reason in each case?

2. In respect of such applications, how many emanated from each Legislative Assembly electoral district, indicating the number which were—(*a*) successful; and (*b*) unsuccessful?

Mr CAIN (Attorney-General)—The answer is:

1. 487 applications for appointment as a Justice of the Peace have been received in the period from when I took office on 8 April 1982 to 3 May 1983. During the same period the Governor-in-Council revoked the appointment of nine Justices of the Peace and accepted the resignation of 54.

I am not prepared to provide the honourable member with the number of unsuccessful applicants and the reason for their lack of success. That information can only be ascertained by referring to each individual file which would place an unjustifiable strain on the limited staff resources of my department.

2. (*a*) and (*b*) For the reason stated above I am not prepared to provide an answer to this part of the honourable member's question. However, I am able to advise the honourable member that during the period referred to above, 151 applications were processed through to appointment.

SOLICITORS' GUARANTEE FUND

(Question No. 2285)

Mr WILLIAMS (Doncaster) asked the Attorney-General:

If he will ascertain and inform the House in respect of the Solicitors' Guarantee Fund, the name and date of all defalcations that have resulted in claims upon the Fund, in each of the last five years and this year to date, the amount in respect of each defaulting solicitor outstanding at the end of each financial year and the current period; the balance of the fund at the end of each of the above periods and the total amount owing to claimants at the present time?

Mr CAIN (Attorney-General)—The answer is:

I am not prepared to answer this question in view of the difficulty and time that would be involved in determining the information required.

However, the honourable member may wish to seek the information he requires by writing to the Law Institute of Victoria.

WOOLSHIRE HOUSING CONVERSION PROJECT

(Question No. 2303)

Mr DICKINSON (Barwon South) asked the Minister of Housing:

In respect of Woolshire housing conversion in Geelong:

1. How many family units are likely to be available in this conversion project?

2. What each unit will cost a family including the value of the purchased Woolshire site?

3. When the conversion will be completed and the accommodation available for occupancy?

Mr CATHIE (Minister of Housing)—The answer is:

The preliminary design of the recycling of the woolstore has just commenced. It is anticipated at this stage that—

1. The converted woolstore will accommodate 60 families;

2. The average cost of the units would be about $45 000 including the value of the land and the provision of carparking spaces;

3. The units will be completed and ready for occupancy in August 1985.

TAXATION ON BUSH-FIRE RELIEF

(Question No. 2324)

Mr DICKINSON (South Barwon) asked the Treasurer:

1. What financial institutions duty will be collected by the Treasury on moneys paid out to bush-fire relief victims?

2. Whether he will waive the amounts to be collected in respect of moneys paid out on fire insurance claims and other financial transactions where fire relief moneys have been or will be paid?

3. Whether he will seek waiver of sales tax on building material items to be used in the post bush-fire reconstruction; if not, what representations and/or concessions will be made?

Mr JOLLY (Treasurer)—The answer is:

The Government responded quickly to ensure that collections of money for the various bush-fire relief appeals were eligible for exemption from the Financial Institutions Duty.

It must be emphazised that the liability to duty is imposed on financial insitutions. The legislation does not regulate the extent to which insitutions can 'passon' the cost of the duty—this has been left to institutions to decide in light of market conditions.

In this context, it is uncertain to what degree the financial institutions duty will affect monies paid out for bush-fire relief. On occasions where proceeds are banked, the financial institutions may not choose to pass on the duty. In other cases payments may be used directly to buy goods etc.

As the incidence of the duty is uncertain, and often indirect, it is not possible to quantify the overall impact. At the individual level, the level of duty is of course quite small and there is no formal basis for refund of duty. However, I would be happy to consider the merits of any case for an *ex gratia* refund where there was evidence of particular hardship involved.

The further point raised, concerning sales tax, is a matter which is the responsibility of the Commonwealth Government and I can only suggest that the honourable member should take the matter up with that Government.

REVENUE COLLECTED BY LAW DEPARTMENT

(Question No. 2383)

Mr WILLIAMS (Doncaster) asked the Attorney-General:

With respect to revenue collected from the general public by departments, instrumentalities, authorities and agencies under his administration what amounts were actually banked in respect of each month since April 1981?

Mr CAIN (Attorney-General)—The answer is:

I am not prepared to answer this question as the time and effort required to do so cannot be justified.

POSITIONS HELD BY WOMEN

(Question No. 2394)

Mr JONA (Hawthorn) asked the Attorney-General:

In respect of the Judiciary and the Law Department, which women hold positions as judges, magistrates or crown prosecutors, respectively?

Mr CAIN (Attorney-General)—The answer is:

No women hold positions as judges, magistrates or crown prosecutors in respect of the Judiciary and the Law Department.