Tuesday, 12 April 1988

The SPEAKER (the Hon. C. T. Edmunds) took the chair at 2.5 p.m. and read the prayer.

QUESTIONS WITHOUT NOTICE

POLICE POWERS

Mr BROWN (Gippsland West)—Given the split in Cabinet on Monday and the refusal of the Australian Labor Party's Civil Rights and Law Reform Committee to empower police to demand names and addresses from people spoken to in public, will the Premier give the Victorian public an absolute commitment that this all-important power will be granted to the Police Force as part of the government's long-delayed law and order package, regardless of the outcome of next weekend's socialist left dominated Australian Labor Party State conference?

The SPEAKER—Order! There is no doubt that the question asked by the honourable member for Gippsland West is interesting. However, most of it is out of order, particularly the latter part of the question. I call the Premier to respond to the part of the question that is in order.

Mr CAIN (Premier)—The honourable member for Gippsland West is obviously concerned about the stink caused at his own party's conference regarding tax. I am not sure on what tax side he is; does the honourable member for Gippsland West want a consumption tax? The real problem across the nation at the moment is the total division in the Liberal Party about tax. Does the Liberal Party want to put another tax on people? What is the Liberal Party on about? That is the real issue.

Everyone in this State knows that the government has taken a realistic and thorough approach to law and order and to the issue of police powers in the context of the wider question. Members of the Liberal Party should tell me a government in Australia that has been more concerned and done more about drug education than this government; they should tell me a government in Australia that has been more concerned and done more about domestic violence than this government; they should tell me a government that has done more to remove, so far as is possible, from this State the causes of crime. A whole range of underlying causes of crime exist, and if a government is able to provide more jobs, one underlying cause is removed.

I am not suggesting all crime can be eliminated. The government acknowledges that additional powers are required in some areas, and that matter will be attended to. The government has already introduced a Bill to remove the 6-hour limit for police interviewing of suspects. Following the Coldrey committee's recommendations, the government will introduce a Bill to allow the tape-recording of police interviews. That is perhaps the greatest step forward in the administration of criminal justice in this State for 50 years. So far as possible, it will remove the constant conflict about what is said by whom during a police interview. Some refinements are being considered regarding circumstances where admissions that are not recorded may be admissible.

The government is considering the fingerprinting recommendations of the committee chaired by the Director of Public Prosecutions. The recommendations will be examined and are the subject of a Bill about which notice of introduction will be given today. Honourable members will be aware that the government is prepared to act on the Commonwealth government's telephone-tapping scheme, and a Bill dealing with that will be introduced. I am conscious of the concern expressed by the community on the general issue of sentencing. The Sentencing Committee, under the chairmanship of Justice Sir John Starke, is due to report shortly, and that report will be examined in the same context.

A very comprehensive across-the-board review is proceeding. The government will not have a policy like the so-called policy of the Opposition, which fails to look beyond knee-jerk reactions to police numbers and powers. The Opposition regards those as being the only matters of concern on this question.

The government will have a planned integrated approach which recognises that there are widespread difficulties, as the honourable member for Doncaster has often correctly said, in the criminal justice system. The difficulties are being addressed in a comprehensive way. The government will not be goaded by catchphrases about one particular matter, or about anything to which the Opposition back-benchers can loosely apply their tongues.

Mr Kennett interjected.

Mr CAIN—Predictably, the Leader of the Opposition interjects. There is no looser tongue than his in the south-west! He has a monumental capacity; Alan Hunt is absolutely correct, that nobody with as loose a tongue as that of the Leader of the Opposition could ever be trusted with the leadership of the government of Victoria!

The government has a comprehensive approach and will address the community concerns that have arisen on the issue.

EROSION AT HENTY BAY

Mr ROSS-EDWARDS (Leader of the National Party)—I refer to the very serious erosion by sea occurring at Henty Bay near Portland and to the discussions that have taken place between the Henty Bay Preservation Association, the Ministry for Planning and Environment and the Ombudsman. As a result of those discussions a submission has been made to the Treasurer requesting government support to tackle the problem, which has been plaguing the area for approximately twenty years. Can the Treasurer advise the House whether he has considered the submission made to him and, if so, what action he intends to take to supply financial assistance?

Mr JOLLY (Treasurer)—I thank the Leader of the National Party for his question. Obviously the Portland smelter project has been one of the success stories of the Victorian government. The government is pleased with the present aluminium price, as, I dare say, would be the Leader of the National Party.

In respect of the particular submission that he referred to, I shall certainly have the matter thoroughly investigated. However, any submission of that kind obviously has to be considered in the Budget context. That is what will be done.

PUBLIC TRANSPORT PLANS

Mr GAVIN (Coburg)—Can the Premier advise the House what specific steps the government is undertaking to ensure adequate public transport operations for Victoria into the next century?

The SPEAKER—Order! I must rule the question out of order. It is far too broad in its context. If the honourable member can perhaps bring the question back to this century, I shall hear him.

Mr GAVIN—What specific plans does the government have to provide adequate public transport, in the planning sense, for the next few years?

Honourable members interjecting.

The SPEAKER—Order! I do not uphold that as a question without notice in the context in which the honourable member has phrased it. It is far too broad. If the honourable member can be specific, I shall entertain the question.

Mr GAVIN—What specific steps is the government taking arising from the Metplan discussion paper and the procedures under which that plan will operate?

Mr CAIN (Premier)—I thank the honourable member for Coburg for the question. As a member of the government's transport Bill committee, he has been interested in transport for many years. I am delighted to inform him that the government is currently developing—as he is aware—a plan for the public transport system for metropolitan Melbourne. The plan recognises that an effective public transport system is necessary. I say that because it has always been the policy of the government that one cannot seek to cater for only those who happen to have cars or access to cars; many people in the community, who may not be thought to be important or of much consequence to members of the Opposition, do not have access to cars. I refer to students and the elderly, people who rely entirely upon public transport if they are to travel around the city.

There is no more efficient way of moving commuters to and from their jobs than via a public transport system. All honourable members would agree that Victoria has basically a good fixed rail radial system; it has a terrific system of trams and trains. The government is endeavouring to do what has never been done before and that is to strike the correct balance between the use of cars and buses, and fixed rail transport. The government wishes to ensure that the development that is taking place in this great city of ours is properly serviced by public transport.

The people who need public transport should have it available to them to travel to and from work and they should also have an adequate road system on which to drive their cars for the host of social and domestic journeys undertaken in motor cars.

The transport policy of the Leader of the Opposition is simply, if it moves, sell it off! That is what I understand his policy to be and, in effect, he is saying that. The Deputy Leader of the Opposition is the shadow Minister for Transport—we are told—and, if he wishes to correct the policy, he can. If he believes they should not be sold off, let him say so!

Mr Micallef interjected.

Mr RAMSAY (Balwyn)—On a point of order, Mr Speaker, you permitted the honourable member for Coburg to rephrase the question on two occasions because his wording was too broad. Now the Premier is proceeding to debate the subject. He is out of order.

The SPEAKER—Order! I ask the honourable member for Springvale to withdraw his interjection. It was out of order and unparliamentary.

Mr MICALLEF (Springvale)—Which word, the "old" or the "goat"? I withdraw, Mr Speaker.

The SPEAKER—Order! I ask the honourable member for Balwyn again to address the Chair on his point of order!

Mr RAMSAY (Balwyn)—Mr Speaker, you permitted the honourable member for Coburg to rephrase his question twice because it was too broad in the first wording. Now the Premier is proceeding to debate the issue on a wide canvas and, according to Standing Order No. 127, he is out of order.

The SPEAKER—Order! The Premier is out of order if he debates the response to the question. I understood that the Premier mentioned the policy of the Opposition on some aspect but I do not believe he was debating the matter. I shall bring the Premier to order if he attempts to do so.

Mr CAIN (Premier)—Some services will not run at a profit and, historically, that has been the case. Traditionally and for a long period, that has been true of country rail services.

The Opposition is saying that if it were in government and it could not manage the operation of trams and buses, it would not even try—it would sell them off. I am suggesting that if the Opposition wants to adopt a policy of selling off——

Honourable members interjecting.

The SPEAKER—Order! I have called the honourable member for Benalla to order a number of times, and I now warn him to cease interjecting or I will take action against him.

Mr CAIN—If the Opposition wants to sell off buses because a line is not paying its way—and buses are heavily subsidised now—and tells private enterprise to run only those services that pay, one of two things must happen: either private enterprise must increase the fares, which will cost people more, or the government must further subsidise those services in some way. The Leader of the Opposition is saying that his government would sell off buses.

Mr Brown interjected.

Mr CAIN—Did the Leader of the Opposition not say that? Does the Deputy Leader of the Opposition agree with him? Honourable members should be interested in Victoria having a public transport system that serves the needs of people. The Opposition does not want to do that. It wants to pick the eyes out of it and sell it off to its rich mates; and if the service does not pay those services will be closed down. That is what the Opposition would do if it were in government: it would sell off bus services to its rich mates.

The Labor government will ensure that Victoria has a public transport system that meets the needs of people and, at the same time, runs efficiently—something the Liberal Party has never done. I believe all Victorians know and understand that public transport has improved immeasurably over the past six years, and that it will continue to improve.

POLICE POWERS

Mr E. R. SMITH (Glen Waverley)—Will the Minister for Police and Emergency Services provide the House with a firm commitment that the government will allow police compulsory fingerprinting powers during major crime investigations, such as rape attacks?

Mr CRABB (Minister for Police and Emergency Services)—It is not within my power either to encourage or to discourage fingerprinting powers of the Police Force. Fingerprinting powers is a matter of legislation for which a Bill must be introduced in Parliament.

Mr Brown—You're the Minister.

Mr CRABB—The Deputy Leader of the Opposition is having a rough day. The fact is that, back in 1961, the then Liberal government stopped the taking of fingerprints of prisoners in Victorian gaols. I repeat: in 1961 the Liberal Party was responsible for stopping the taking of fingerprints of prisoners in this State.

Honourable members interjecting.

The SPEAKER—Order! I advise the honourable member for Mornington that he is out of order in continually barraging the Minister with interjections, and I shall not warn him again.

Mr CRABB—It was a Liberal government that stopped taking fingerprints of convicted murderers and prisoners when in prison and last year the Cain Labor government reimposed the taking of fingerprints of prisoners. I assure the House and all Victorians that the government is taking steps to ensure that fingerprinting powers will be available to police in circumstances where they need them to pursue matters of crime.

RESOURCES FOR DISABLED STUDENTS

Mr HANN (Rodney)—Is the Minister Assisting the Minister for Education aware of the growing number of schools in Victoria which are being forced to refuse to accept disabled students because the Ministry of Education is unable to provide the necessary

resources? If so, what action does the government propose to take to meet its commitment to provide equal educational opportunities for these students?

Mr CATHIE (Minister Assisting the Minister for Education)—The government has an excellent record in the integration of disabled students into normal schooling. In approximately three years the government has placed thousands of those children into normal schools, as well as continuing to offer special education facilities for those who require them.

More than 500 integration aides have been placed in schools as part of the government's program and, although I accept that there will be a continuing growth in demand for places, the government will ensure that resources are available to meet those needs within its overall budgetary constraints.

TAXATION LEVELS IN VICTORIA

Mrs HIRSH (Wantirna)—Can the Treasurer indicate to the House the progress of the government's efforts to restrain per capita taxation levels in Victoria?

Mr JOLLY (Treasurer)—Honourable members should be aware that, as a result of Federal/State financial arrangements, Victoria subsidises every other State in Australia on a far greater level than does New South Wales. In normal circumstances that means that the taxation per capita is higher in Victoria than in New South Wales, but I am pleased to report that is not now the case. Figures produced by the Australian Bureau of Statistics on per capita taxation throughout Australia show that the figure for New South Wales is higher than that for Victoria.

Honourable members interjecting.

Mr JOLLY—The honourable member for Brighton should examine the figures presented by the Australian Statistician rather than rely on the open-mouth policies of the Leader of the Opposition. The honourable member does not like to read what the Australian Statistician says. The Australian Statistician indicates that per capita taxation in Victoria is less than that in New South Wales. In 1987–88 Victoria's per capita taxation was $973, but in New South Wales the figure was $1011.

Honourable members interjecting.

Mr JOLLY—I challenge the honourable member for Gippsland West to refute the figures of the Australian Bureau of Statistics. They are categorical and all honest commentators agree with those figures, which may prove difficult for some honourable members in this place.

The government totally rejects the implementation of a consumption tax or the philosophy of privatisation. Where does the Liberal Party stand on these issues? Clearly a consumption tax, whether at the State or Federal level, would mean an increase in taxation per capita. The new Liberal government in New South Wales supports the introduction of dividend payments, but the Opposition is opposed to that policy.

The Opposition must have a hidden plan for a further tax because that would be the only way it could make up the revenue shortfall that it would impose on the community. In those circumstances Victoria's taxation per capita would increase. The Leader of the Opposition, with his open mouth, is in dire trouble regarding the issue of consumer tax. The Leader of the Opposition does not know whether to sell the State Bank. His mate, the Deputy Leader of the Opposition in the Federal Parliament, wants to sell the Commonwealth Bank of Australia and presumably will telephone his advice to the Leader of the Opposition to sell the State Bank. Obviously that is how they communicate! It is crystal clear that in 1987–88 Victoria's taxation per capita was lower than that of New South Wales. That is undeniable; it is published by the Australian Statistician.

DEPARTMENT OF MANAGEMENT AND BUDGET

Mr STOCKDALE (Brighton)—I ask the Treasurer: is it a fact that, since the Cain government has been in office, the number of public servants employed by the Department of Management and Budget has doubled; and that, in the past two years, on no fewer than 115 occasions, consultants have been employed by the department at a cost of more than $6 million? How can the Treasurer justify such an increase in the number of employees in the Department of Management and Budget when there is such an extensive use of consultants on any specialised task?

Mr JOLLY (Treasurer)—I thank the honourable member for Brighton for his maiden question in this autumn sessional period. I wondered when he would ask a question.

I shall explain the facts of life in regard to the Department of Management and Budget, of which the honourable member for Brighton would not be aware because he has no understanding of the history of this place or of government. The Leader of the Opposition has some history in this place, because he was the only Minister, to my knowledge, who imposed a freeze on the engagement of employees one day, and, on the next day, employed consultants as clerks and lift drivers as well. That is the way the Leader of the Opposition operated when he was Minister of Housing in this State.

In respect of the justification for expenditure on consultants, I refer the House to two major investments in this State on which the Department of Management and Budget has been giving the government critical advice. The first investment is in the aluminium industry. It was absolutely imperative to obtain consultancy advice to ensure that the government's involvement in the aluminium industry was at the best possible level and that a high return would be obtained for the people of Victoria.

The Opposition opposed the government's involvement as a joint venture partner in the aluminium smelter project. The Opposition was very critical at the time because it believed the world prices were not high enough. I remind honourable members, including the Leader of the Opposition, that the price of aluminium is now $US2500 a tonne. A little more than twelve months ago the price was $US950 a tonne, yet the Liberal Party did not want the government to be involved in that investment. When the two potlines come on stream, the annual export earnings will be more than $900 million.

Mr Kennett interjected.

Mr JOLLY—The Leader of the Opposition obviously did not listen to the question of the honourable member for Brighton. The honourable member asked how I can justify expenditure on consultants. The reality is that without that expenditure the government would not have been involved in this project in the effective way that it has been involved.

Mr Kennett interjected.

Mr JOLLY—That shows how stupid the Leader of the Opposition is. He is now saying, "Privatise the Department of Management and Budget"! He is as thick as a brick; there is no doubt about that.

Another point that the Opposition has great difficulty understanding is that the government took the view that it should build its economic policy on the basis of the competitive strengths of the State.

Mr Kennett interjected.

Mr JOLLY—The Leader of the Opposition is off on another open-mouth policy. He now says, by interjection, that it is pump priming. He does not know what it means. It has nothing to do with pump priming. If the Leader of the Opposition had been able to pass any level of economics he would know that it has nothing to do with pump priming.

As one of my colleagues interjects, the Leader of the Opposition takes his economic advice from a ten-year-old shop assistant in a milk bar. That is how he drew his conclusions on privatisation.

Mr DELZOPPO (Narracan)—On a point of order, Mr Speaker, I put it to you that the Treasurer is debating the question, which is against Standing Order No. 127, and I ask you to bring him back to order.

Mr JOLLY (Treasurer)—On the point of order, Mr Speaker, I was asked by the honourable member for Brighton to justify expenditure on consultants. He regarded it as a serious question, and I was pointing out that there are two major investments undertaken by the State in which consultants were of critical importance and that the reason that Victoria has the lowest rate of unemployment arose only because of the expertise of consultants.

The SPEAKER—Order! I do not intend to uphold the point of order because of the barrage of interjections that are distracting the Treasurer from his response. If the House regains some semblance of order it will be possible to prevent the Minister from debating the subject.

Mr JOLLY—Thank you, Mr Speaker. I do not intend to examine all the consultancies in which the Department of Management and Budget has been involved, but in regard to the Australian Medical Research and Development Corporation, I point out that without consultants Victoria would not have that outstanding venture and the outstanding product that was announced last week, which will earn export revenue for Victoria. The government expects to make further announcements later this month in regard to AMRAD which will again demonstrate the success story of this government.

Honourable members interjecting.

Mr JOLLY—The Leader of the Opposition may have other matters on his mind, but I am speaking about the success of the government. In summary, the government's use of consultants has been appropriate and has meant that Victoria has become the economic heart of the nation rather than the economic backwater that it was when the Labor government was elected in 1982.

ESCAPE FROM GEELONG PRISON

Mr HOCKLEY (Bentleigh)—Will the Minister for Police and Emergency Services provide the House with details of the escape from Geelong Prison this morning?

Mr CRABB (Minister for Police and Emergency Services)—At 9 o'clock this morning, two prisoners escaped from Geelong Prison by concealing themselves in the 44-gallon drums that are used to carry garbage. They were recaptured at 10.30 this morning—still with the garbage on them—due to the prompt and commendable action of the prison officers at Geelong. It is interesting to note that the names of the prisoners were Hall and Kennett. I understand that prisoner Kennett has no connection with the Leader of the Opposition other than his proclivity to descend into garbage!

The Geelong Prison has an excellent record, and in the past five years only six escape incidents have occurred at the prison. In each case the prisoners concerned have been promptly recaptured.

Earlier this year extra staff were allocated to improve the security of the rather old prison, and extra measures had been taken in recent months to improve security. In addition, an investigation is taking place currently and steps will be taken to ensure that neither Mr Kennett nor any other prisoner gets into the garbage again.

POLICE POWERS

Mr KENNETT (Leader of the Opposition)—Will the Attorney-General support giving the Victoria Police Force power to ask for the names and addresses of criminal suspects, bringing their powers into line with the powers possessed by traffic police, council officers and egg inspectors?

Mr McCUTCHEON (Attorney-General)—The government's program on police powers has already been canvassed in question time. It is clear that the government has taken a major initiative in determining suitable police powers by having the Director of Public Prosecutions and an expert committee produce advice about necessary amendments and changes to police powers.

Arising from two of the reports that the Coldrey committee has already made public, two matters are to be dealt with; namely, section 460 of the Crimes Act dealing with the 6-hour rule; and fingerprinting.

It has been made clear that the government will take action. One of the matters is already the subject of a Bill before the House, and it is intended to introduce a Bill relating to the other matter. The power for police to obtain the names and addresses of suspects has been considered, but no proposal exists at this stage to provide that power.

FORMER PUBLIC WORKS DEPARTMENT STAFF

Mr JASPER (Murray Valley)—I refer the Minister for Housing and Construction to concerns expressed by many officers of the former Public Works Department about their future employment. Will the Minister indicate the results of the working party and the three proposals for the breaking up of the department? What action is being taken to retain the expertise within the new departments and to protect the employment of former Public Works Department employees?

Mr WALSH (Minister for Housing and Construction)—The government has been examining public works as a whole. Part of the department, in my view, will have to be transferred to other agencies in the future to make public works more efficient. I guarantee to the honourable member that no employee of the former Public Works Department will lose his or her employment; all employees will have security of employment. The expertise will be retained in the department. Since the Labor government was elected, it has recruited employees with excellent expertise to make the department more efficient. The government is looking at ways of improving the position and will continue to do so.

When the government carried out the restructure the year before last, it believed it had put together a system that would make it possible for any unit to go to any agency and work and be controlled by that agency. I assure all honourable members that the future of any employee of the former Public Works Department is secure.

PUBLIC FUNDING OF GOVERNMENT AND NON-GOVERNMENT SCHOOLS

Dr VAUGHAN (Clayton)—I ask the Minister Assisting the Minister for Education with responsibility for Post-Secondary Education whether the Ministry of Education has examined proposals for changes in the funding of government and non-government schools and, if so, could the Minister inform the House of the effect of those proposed changes will have on the education of Victorian children in both government and non-government schools?

Mr CATHIE (Minister Assisting the Minister for Education)—The honourable member's question is an important one, and I am pleased that some Opposition members recognise that it is an important issue. Most honourable members would remember that Sir Robert Gordon Menzies, a former Leader of the once great Liberal Party, was the first

major Federal figure to develop a partnership in education between the Commonwealth and State governments.

That partnership is of vital importance not only to Victoria but also to the nation as a whole. Although the States have the legislative authority for education, it has long been recognised that the Commonwealth government provides a great deal of support in terms of resources. In higher education, for example, the Commonwealth government provides the bulk of funding for both capital and recurrent purposes. The Victorian government, however—and I think we are the only State government to do so—separately funds places at both universities and colleges of advanced education, and, like other State governments, we accept the responsibility for nurse education as well.

Indeed, it is the Commonwealth that also provides a major source of funds for capital expenditure in technical and further education, so it is able to supplement the excellent record that the Victorian government has in vocational education—it is now providing a record level of apprenticeships. There are some 45 000 apprentices currently in training in Victoria and some 350 000 students in all are enrolled in various courses within TAFE.

With primary and secondary education in schools, the Commonwealth government assists the States in providing a full public education system with access for all Victorians, as well as providing direct assistance to non-government schools for both capital and recurrent expenditure. This represents the development of a cooperative Federalism, a development that has been supported by all sections of the education community and, indeed, by all thinking people within the community. That includes some leading Federal figures within the Liberal Party, including Mr Howard, the Leader of the Federal Opposition, and Senator Chaney.

It is regrettable that the honourable member for Burwood, the State Leader of the Opposition, and the faceless men who control him from behind appear to lack an understanding of the cooperative partnership that has developed between the States and the Federal government over a long period.

It can only have been this lack of understanding that led the Victorian Opposition Leader, Mr Kennett, to oppose his Federal colleagues and to advocate——

The SPEAKER—Order! The Minister knows the correct usage of titles of members of Parliament, and I ask him to use the correct address.

Mr CATHIE—I make it clear that whatever the Leader of the Opposition may advocate on ending that partnership, the government will ensure that the partnership continues and that both Commonwealth and State governments support the partnership in providing funds for State schools, for Catholic schools, and for independent schools, and in providing an education of quality for all Victorians.

LIQUID WASTE TREATMENT PLANT

Mr REYNOLDS (Gisborne)—I ask the Minister for Water Resources: will the government consider abandoning the proposal to establish a liquid waste treatment plant at Digger's Rest and, instead, consider the use of private enterprise, which has the capacity to meet the need at no capital cost to taxpayers?

Mr WILKES (Minister for Water Resources)—The government, in its wisdom, chose one of the four sites submitted to it by the Melbourne and Metropolitan Board of Works for the establishment of a liquid waste treatment plant, and Digger's Rest was the site chosen for the plant.

However, before the plant can be established, it is necessary to rezone the area. Application for the rezoning has been made to the Minister for Planning and Environment, who is in the process of establishing a panel to review the objections, numbering approximately 1000 or more, to the placement of the treatment plant at Digger's Rest. The

government will wait until that process is in place and completed and it will consider the outcome at the appropriate time.

PAYMENT OF PSYCHIATRIC NURSES

Mr SIDIROPOULOS (Richmond)—Will the Premier advise the House of the decisions made by the Public Service Board in relation to payment of psychiatric nurses?

Mr CAIN (Premier)—The honourable member and others will be aware that claims for improved pay for approximately 5000 nurses and direct care staff employed by the Office of Intellectual Disability Services within Community Services Victoria and claims made by the Office of Psychiatric Services within Health Department Victoria were lodged with the Public Service Board in August 1986.

The claims were dealt with as part of a category review and I regret that the Opposition spokesperson on employment and industrial affairs, the honourable member for Hawthorn, has made some extraordinary claims that the increases were in breach of the national wage guidelines and that the pay increases set were, to use his words, "a dangerous precedent".

His remarks concern members of the board, and properly so, because they tend to reflect on the board's integrity and on the manner in which it discharges its statutory duty in determining appropriate pay levels. The attack is unwarranted. It is ill-informed because the review developed an eight-level structure for nursing staff which rationalised the organisation of the work. The board determined the claim and satisfied the requirements for wage-fixing principles that follow those of the Australian Conciliation and Arbitration Commission.

Another point the honourable member made concerned the fact that the board was also asked to fix an appropriate date for the payment. It determined the date of 5 July 1987, which it said was justified on the grounds of both equity and industrial relations and was consistent with the board's statutory responsibilities under section 42 of the Public Service Act.

The honourable member for Hawthorn is in error because he has failed to recognise that the pay increases awarded by the board were consistent with and followed the increases awarded to similarly qualified nursing staff in public hospitals following a decision by the State Industrial Relations Commission. The pay increase awarded to psychiatric nurses is an important case and it is important that the House should be aware of the duties and functions of the Public Service Board.

The Opposition has a well-known and consistent policy—or perhaps "credo" is the right word—in respect of any application for a wage increase. It is, "Don't have any wage increase at any time anywhere". The Opposition has had that policy for years.

The government's policy is, "A fair go for employees". As I have said, during the time that Mr Fraser was the Leader of the Liberal Party, the Liberal government representative went to every national wage case hearing and argued against any increase.

Honourable members interjecting.

Mr CAIN—The Liberal Party pursued that policy for seven years; every application was denied. The three-word policy of the Opposition is, "Not one cent".

I thought that the Leader of the Opposition was best at shooting from the hip, but if the honourable member for Hawthorn wants to shoot from the hip, he had better get it right and understand the duties and functions of the Public Service Board. The board has a duty and a capacity to make certain decisions, and for it to be attacked in the way it has——

Mr Gude interjected.

Mr CAIN—They did not break the guidelines. The Opposition seeks to attack anyone who grants an increase at any time, whether it is a properly constituted tribunal, or anybody else.

The Liberal Party seeks to get rid of the centralised wage-fixing system. Honourable members have not heard the details of the Opposition's industrial relations policy, but I am sure it will be to go out and bargain and let the strong survive and the weak be crushed, whether the strong or weak be employers or employees. The government has defended and will continue to defend the centralised wage-fixing system. The government will also continue to defend the integrity of properly constituted wage-fixing authorities.

PETITIONS

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

Firearms

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

This petition of the undersigned citizens of Victoria respectfully shows our concern that the government has announced its intention to deny our civil rights to own personal property (to wit certain firearms owned for legitimate private purposes), to dispose of such personal property in a free and open market, and to refrain from involuntary association and accordingly we respectfully request the Parliament to oppose legislation which would effectively permit the State to abrogate the natural rights of individual citizens by intruding in private premises to confiscate personal property which is now legal, or to enforce such dispossession by other punitive methods such as fines, arrest, or excessive taxation or to impose on the citizens a burden of involuntary membership of an organisation as a prerequisite to exercising a right and in support of our concerns and petition we show that such abrogation of civil rights is demonstrably ineffective and counterproductive in ensuring the public safety of our community or other valid social purpose.

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

By **Mr Kennett** (115 signatures)

"Nelson" figurehead

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 the figurehead of Her Majesty's Victorian Warship *Nelson,* the first ship of the Victorian Colonial Navy, being the last remaining relic of this historic vessel, should not be allowed to be taken from Victoria for permanent display in Sydney.

Your petitioners therefore pray that the government use all its powers and influence to ensure that this unique relic of Victorian history be retained in Victoria for posterity.

By **Mr Cooper** (171 signatures)

Disabled children in Biala Peninsula Centre

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 the Biala Peninsula Centre for disabled children up to six years of age has a desperate need for recurrent funding to enable it to continue its important and vital task.

Your petitioners therefore pray that the Victorian government make sufficient resources available to meet the shortfall created by insufficient Federal funding and thus allow Biala Peninsula Centre to remain open.

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

By **Mr Cooper** (37 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:

National Crime Authority—Report for the year 1986–87, together with comments made by the Inter-Governmental Committee.

Planning and Environment Act 1987—Notice of Approval of an amendment to the following planning schemes:

Portland (City) Planning Scheme—Amendment No. L1.

Geelong Regional Planning Scheme—Amendment No. R2.

Statutory Rules under the following Acts:

Dandenong Valley Authority Act 1983—No. 106.

Firearms Act 1958—No. 105.

Fisheries Act 1968—No. 103.

Forests Act 1958—No. 102.

Hospitals and Charities Act 1958—No. 104.

Public Service Act 1974—PSD 4, 6, 7, 8, 9, 10, 11, 12, 13.

Seeds Act 1982—No. 101.

APPROPRIATION MESSAGES

The SPEAKER 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:

Criminal Injuries Compensation (Amendment) Bill

Health Services Bill

Flora and Fauna Guarantee Bill (No. 2)

Valuation of Land (Amendment) Bill

Industrial Relations (General Amendment) Bill

Environment Protection (Amendment) Bill (No. 2)

PLANNING AND ENVIRONMENT (AMENDMENT) BILL

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

Council's amendments:

1. Clause 6, page 3, after line 21 insert—

"(4) A notice in force under section 44 of the Town and Country Planning Act 1961 before the commencement of Item 131 in the Schedule in relation to a revoked scheme or order continues to have effect in relation to the relevant new planning scheme, insofar as the new scheme contains provisions to the like effect as provisions of the revoked scheme or order, as if it were an enforcement order made under Part 6 of this Act."

2. Clause 7, page 4, after line 16 insert—

"(6) If

(*a*) before the commencement of Item 131 in the Schedule, a responsible authority had refused an application for a permit made under the Town and Country Planning Act 1961 or had imposed conditions on the grant of such a permit; and

(*b*) an appeal against the refusal or the conditions had not been lodged under that Act before the commencement and had not been lodged under this section before the enactment of the Planning and Environment (Amendment) Act 1988 and the time for so lodging expired on or after that commencement and before that enactment—

an appeal may be made to the Administrative Appeals Tribunal against that refusal or those conditions as if the application had been made under this Act and the date of the refusal or imposing of the conditions had been the date of commencement of Item 131 in the Schedule.".

3. Insert the following new clause to follow clause 10:

Planning schemes.

"A. Despite anything to the contrary in the Principal Act, a planning scheme approved or purporting to have been approved under the Principal Act on 16 February 1988 is deemed to have been duly approved under the Principal Act.".

Mr ROPER (Minister for Planning and Environment)—Amendment No. 1 is a further clarification of the transitional provisions to make it quite clear that contravention notices issued under the Town and Country Planing Act can be enforced under the Planning and Environment Act. This reflects the overall intention of the Bill.

I move:

That amendment No. 1 be agreed to.

Mr HEFFERNAN (Ivanhoe)—The Opposition supports the amendment.

The motion was agreed to.

Mr ROPER (Minister for Planning and Environment)—Amendment No. 2 is a further clarification of the transitional provisions to ensure that appeal rights exist in certain additional cases.

I move:

That amendment No. 2 be agreed to and that the following consequential amendments to clause numbers be made to the Bill:

Clause 7, page 4, line 13, omit "sub-section (3) or (4)" and insert "sub-section (3), (4) or (6)".

This is just a matter that was not dealt with fully when honourable members in the Legislative Council dealt with the matter.

The motion was agreed to.

Mr ROPER (Minister for Planning and Environment)—Since Mr Hunt moved amendment No. 3 in the Legislative Council the government has been made aware of a series of applications made to the Administrative Appeals Tribunal under section 150 of the Act to review decisions made in relation to the approval of planning schemes on 16 February 1988. It is the government's view that Mr Hunt's amendment is insufficient to cover all the necessary issues, even though he made it very broad and said that anything that was done on that day was valid.

Consequently a more comprehensive clause should be substituted. This new clause will:

(*a*) clearly state that schemes prepared/adopted/approved on 16 February were validly prepared/adopted/approved;

(*b*) ensure that the schemes came into effect at the beginning of 16 February; and

(*c*) ensure that the schemes cannot be further questioned in any court or tribunal.

In addition, the new clause will ensure that decisions made in good faith under the Town and Country Planning Act between 27 May 1987 and 16 February 1988 cannot be challenged for non-compliance with the objectives of the Planning and Environment Act, which were brought into operation on 27 May 1987 by the proclamation of Part 1 of the Act.

Lastly, the clause maintains the right of Parliament to revoke planning schemes or amendments under section 38 of the Planning and Environment Act.

In commending these amendments to the House the government wishes to re-emphasise the intention of section 150 of the principal Act. This is necessary because there are a number of cases currently before the Administrative Appeals Tribunal that attempt to use the general review provision of section 150 of the principal Act to review decisions to approve schemes made by the Minister on 16 February 1988.

It is not the intent of section 150 to allow the planning merits of schemes and amendments to be reviewed in this way. Part 3 of the principal Act, which provides for the exhibition, submission and independent panel process, gives ample opportunity for review of the merits of proposed amendments.

The main intent of section 150 is to provide a quick, convenient and relatively informal means of resolving disputes over procedural matters. The provision must be read with recent changes to planning appeals legislation—section 66A of the Planning Appeals Act—which effectively transfers action to review decisions from the Supreme Court to the Administrative Appeals Tribunal if the Administrative Appeals Tribunal has jurisdiction.

I therefore move:

That this amendment be disagreed with but the following amendment be made in the Bill.

'Insert the following new clause to follow clause 10:

Planning Schemes

A. "(1) Despite anything to the contrary in the Principal Act, any planning scheme prepared, adopted or approved or purporting to have been prepared, adopted or approved by the Minister on 16 February 1988 must be taken to have been duly prepared, adopted and approved in accordance with all of the requirements of the Principal Act and the regulations made under the Principal Act and to be valid and effective in all respects.

(2) A planning scheme referred to in sub-section (1) must not be called into question in any proceeding in any court or tribunal or in any proceeding by way of review under the Principal Act.

(3) A planning scheme referred to in sub-section (1) must be taken to have come into operation at the beginning of 16 February 1988.

(4) The following must not be called into question in any proceeding in any court or tribunal or in any proceeding by way of review under the Principal Act on the ground of any non-compliance or alleged non-compliance with the provisions of the Principal Act:

(*a*) A planning scheme or order made or approved under the Town and Country Planning Act 1961 after the commencement of section 4 of the Principal Act and before 16 February 1988;

(*b*) Any amendment approved after the commencement of section 4 of the Principal Act and before 16 February 1988 to a planning scheme or order;

(*c*) Any determination made after the commencement of section 4 of the Principal Act and before 16 February 1988 under or in relation to a planning scheme or order.

(5) Nothing in this section precludes either House of the Parliament from exercising the power conferred on it by section 38 of the Principal Act.".'

The motion was agreed to.

It was ordered that the Bill be returned to the Council with a message intimating the decision of the House.

SUBDIVISION BILL

The debate (adjourned from October 13, 1987) on the motion of Mr Wilkes (Minister for Water Resources) for the second reading of this Bill was resumed.

Mr HEFFERNAN (Ivanhoe)—The Opposition welcomes the introduction of the Subdivision Bill. A thorough overhaul of the subdivision legislation was long overdue. It will become obvious as I speak how long overdue that overhaul has been. The subdivision

of land task force was first established in 1981; it published its comprehensive report in September 1983.

Approximately 113 submissions had been received by June 1984. It has taken a further four years and the receipt of more than 100 submissions, for the Bill to finally reach the House. Perhaps the slow and ponderous preparation of the Bill is a reflection of the unnecessary delay that occurs and the cumbersome provisions that are in force under the existing Act. Despite the slow start, the Opposition supports the Bill, together with the Planning and Environment (Amendment) Bill and the Building Control (General Amendment) Bill; they should assist in simplifying the subdivision and development process in Victoria.

The Opposition notes with some surprise the intelligent approach the government has adopted towards the inclusion of the private sector in so many of the Bills dealing with subdivision, planning and environment, and other areas. It is one less job that the Liberal Party will have to deal with when it is returned to government, and it thanks the government for its adoption and endorsement of Liberal Party policy. I suppose the Victorian government is simply following the lead established by the Federal government. The Opposition has always believed that the private sector can make an important contribution in many areas of the public sector, and applauds the recognition by the government of the considerable part the private sector has to play in expediting the development process and in the important cost-cutting measures. Time is always an important factor in any development. When borrowing costs are high the lost time equals a considerable amount of money. Somebody always has to pay, but it is never the developer; it is always the person at the end of the line—that is, the public as a whole—who ends up meeting the final cost. The three Bills should help not only to speed up the process but also to reduce considerably the cost involved to the community.

The Opposition strongly supports the drafting of the Bill in straightforward, plain English. The legal terminology used in the past was often more of a hindrance than a help to all but members of the legal fraternity who have been trained in the field. I am sure all the non-lawyers among us—and thank heaven there are still many members of this House who are not in the legal profession—will read the Bills with a sense of relief. The incorporation in the Bill of the provisions of the Cluster Titles Act and the Strata Titles Act and the subdivision provisions of the Local Government Act should clarify and simplify both the subdivision process and the general public's understanding of its own position.

A further beneficial aspect of the Bill is the use of regulations to cover many administrative aspects, particularly standards of plans, fees, time limits and body corporate rules. The Bill will be of particular interest to developers in that it allows them to combine the different types of subdivision. It also incorporates further changes in allowing for staged developments; that was an important and costly omission from the present Act. That is very important today because of high costs, and the provision is long overdue. The Opposition is happy that the open space contribution provision has been retained. The Opposition will not support an increase from 5 per cent to 6 per cent in public open space on the ground that it will add to the already high costs of land development. The government should carefully examine anything that would increase land costs; the Opposition automatically and strongly opposes that provision.

Recently, I was at a public meeting called about the Plenty corridor when the Minister referred particularly to the huge expansion in relation to future land development and the high costs involved not only in supplying services but also in subdividing the land. In the light of that reference, although the Opposition is sympathetic to the important part that public open space will play not only now but also in the future, it cannot afford to allow an increase in public open space from 5 per cent to 6 per cent. Accordingly, the Opposition will be opposing that provision.

At the same time, the Opposition is sympathetic to what the government is attempting to do. In light of the amount of public open space being sold at present by the government,

the Opposition would find it difficult in the next stage to go to a developer and say, "We can sell that off so that you can pay more at your end." The Opposition does not accept that view.

The Bill, together with the Planning and Environment (Amendment) Bill and the Building Control (General Amendment) Bill, requires councils to comply with rules prescribing time limits. The Minister will recognise that I have supported those provisions, and I believe delegation to council-nominated officers should lighten the burden on councils and make such an aim possible.

The Liberal Party will support the Bill, but I have reservations about one aspect. The ability of councils to spend money accumulated for public open space on the further development of exising parklands is a retrograde step in the long term. On the one hand, the government is proposing that the contribution for development of future open space be increased from 5 per cent to 6 per cent but, on the other hand, councils are being told that they can spend that money—acquired, mostly in the case of small subdivisions, when cash contributions are made in lieu of space—to develop existing parklands. I believe that decision should be the responsibility of the ratepayers of the district.

Unfortunately, although not in every case, when budgets are being framed and expenditure estimated—if things are tight—many councils will find it difficult to ignore money pooled to provide open parkland and will be tempted to use those funds to upgrade existing parkland. In the long term, the expansion of future open space will not occur, as a result of lack of funds. Although the Liberal Party will not oppose this provision, I warn the Minister that some councils may not have the money available to purchase land for the purpose of further open space parkland. At present, the funds accumulated for that purpose can be spent on redevelopment of existing parkland subject to the Minister's approval. That power should remain with the Minister.

The government has foreshadowed some 157 amendments to the Bill, and the Opposition will also move some amendments which will improve the measure and ensure its acceptance by the community.

I commend the government for the strong stand it has taken on the consultation process and for ensuring that the impact on the private sector has been considered. Unless local government takes up the challenge and supports the government in its endeavours, the private sector will have no opportunity of becoming involved in this important area.

Mr McNAMARA (Benalla)—The Bill repeals the Strata Titles Act 1987 and the Cluster Titles Act 1974. Those Acts, primarily the Strata Titles Act, set down not only provisions for the subdivision of land on strata or cluster titles but also rules and by-laws for the operation of bodies corporate.

I shall deal with this Bill in some detail. The National Party welcomes the general thrust of the measure, but it has several reservations. The existing legislation requires a thorough overhaul and for that reason the Bill is well overdue. A subdivision of land task force was established in 1981 and it published a comprehensive report in September 1983. By June 1984 some 113 submissions were received. It is an obvious area of public concern.

It took another four years and more than 100 submissions before the Bill was introduced into this House, so the Bill has had a long gestation. The National Party would have supported a much speedier preparation stage because that existing legislation contains many inherent difficulties. The slow and ponderous preparation of the Bill is reflected in the unnecessary delays which are occurring in the subdivision process at present under the present Acts. The Bill has had a slow start but it is hoped the measure will adequately address some of the areas of concern of the National Party.

It is hoped that the amendments to the Planning and Environment Act and the Building Control Act will simplify and speed up the process of subdivision in this State.

The National Party is concerned about a number of provisions in the Bill, particularly clause 41, which enables the Governor in Council to make regulations prescribing the constitution, duties, functions, powers, rights and liabilities of a body corporate and its members. The Real Estate Institute of Victoria has advised me of its concern that the draft regulations have not been circulated with the Bill. It means that, at present, all owners of strata title properties could face a repeal of the Act prescribing the powers and duties of their bodies corporate, with no idea of what is proposed by its replacement.

It has been a trend under this government that, whereas much detail has been contained in previous proposed legislation, much of the detail has now been removed from the principal Acts and has been introduced by regulation. The National Party will take action in another place to ensure that any such regulations introduced by this or any other major proposed legislation in the future will include a brake on executive government by ensuring that either House is able to disallow any regulation, and that the government or the executive government is prevented for a period of six months from introducing a regulation similar to that which has been disallowed.

Such action is not without precedent. In fact, it is based on the Commonwealth legislation of 1901, which was one of the first measures introduced by the fathers of Federation in this country and was probably one of the first measures introduced by the Commonwealth in this Chamber, which was the home of the Commonwealth Parliament for the first 26 or 27 years after the Federation was formed.

The National Party would like to know whether the new regulations will simply repeal the provisions of the Strata Titles Act or introduce new, radical provisions. I seek an assurance from the Minister for Planning and Environment that, before debate is completed in this Chamber and certainly before it is commenced in another place, he will make available to the opposition parties a copy of his proposed regulations. It is important for honourable members to know what the government proposes to introduce by way of regulation. Based on the reasonable manner in which the Minister has dealt with honourable members to date, I am sure he will make every effort to make available the draft regulations. I thank the Minister's office for forwarding to members of the National Party copies of the draft amendments that he intends to move.

The study of the Bill and the Minister's proposed amendments is a massive task. It is unfortunate that the amendments have not been incorporated in the Bill with which honourable members are now dealing. It is difficult to deal with a measure that has not been redrafted to incorporate the 150 amendments that are intended to be made. It would have been much simpler for members of the public who are concerned about the measure to consider a redrafted Bill before the commencement of debate. It is obvious that the measure that will be passed through Parliament will be vastly different from that with which honourable members are now dealing.

Concern has also been expressed that owners of strata title dwellings, which constitute a significant part of the housing mix in Victoria and which are predominantly occupied by older Victorians, have, to date, not been made aware of the proposed repeal of the Strata Titles Act and the introduction of proposed new regulations. The Real Estate Institute of Victoria has submitted that the implementation of the Subdivision Act, as it will then be called, be deferred for some time to allow unit owners, agents and other professionals to become conversant with its provisions and to enable prior consultation between the institute and the government on the proposed regulations.

I ask the Minister for Planning and Environment to detail what, if any, discussions he has had with owners, tenants, managers and others who may be directly involved in this area, including the Real Estate Institute of Victoria. The institute also anticipates significant practical difficulties in the proposed amendment to the Sale of Land Act, whereby a lot affected by a body corporate cannot be sold without penalty unless the body corporate holds a current insurance policy in accordance with the regulations.

The Real Estate Institute of Victoria—the REIV—acknowledges the desirability of bodies corporate maintaining their own insurance, and it is usually cheaper than would be the case if all owners insured individually. The option for self-insurance contained in the Strata Titles Act is to be abolished. The major area of concern is that vendors may not be aware of the changes until a unit is put on the market, whereupon there will be confusion and anxiety as the body corporate hastens to regularise the situation before the sale is effected.

This will create a problem with dual occupancy developments, which have proliferated over recent years. With those developments, the body corporate often exists only in law, with the owners taking out expensive insurance, maintaining gardens and so on.

A literal reading of the Bill shows that the body corporate must hold an insurance policy prior to a unit being sold. However, a body corporate does not come into existence until the approval of the plan of subdivision by the Titles Office. It is a mechanical matter that has to be straightened out before the proposed legislation is promulgated in its present form.

It would seem to follow, therefore, that no developer could sell a unit in a development prior to approval of title without the risk of the purchaser voiding section 11 (2) of the Sale of Land Act. That is highly unsatisfactory, and the National Party does not think it is the intention of the Bill. It may, nevertheless, be the effect of the proposed legislation.

Dual occupancy developments are a central element in the government's metropolitan strategy and in residential development leading to urban consolidation. It is noted that these developments and other two-lot subdivisions are presently exempt from payment of a contribution towards open space. What justification do we have for making those categories of people liable for the open space contribution? The National Party would prefer that those persons continue to be exempt from the payment of an open space contribution. Can the Minister for Planning and Environment advise the House why that change is being introduced?

The apparent abolition of the exemption will adversely affect the popularity of this form of development by developers, increase the cost to consumers and, therefore, run counter to the aim of the government strategy, on which the government is putting a lot of emphasis. The proposed legislation will impose on persons involved in those types of developments a penalty of 6 per cent for which they are now not liable. It runs counter to the government's stated aims and objectives.

The REIV questions the intent of clause 19 (1) of the Subdivision Bill, which requires an owner to pay for the cost of a valuation which will form the basis of a public open space requirement. This, according to the REIV, is tantamount to requiring a taxpayer to pay for the cost of the Australian Taxation Office preparing his or her income tax assessment notice. The proviso "if the value is not agreed" opens the door to deals between the developer and the council, or for the council to seek to impose an unduly large open space contribution, with the owner having little alternative but to accept it or face unspecified valuation costs.

What concerns any developer is time delay and, when various authorities dealing with developments introduce methods that unduly hold up a development, that leads to additional costs not only for the developer but also for the purchasers of those allotments because those costs are passed on.

The letter from the Real Estate Institue of Victoria states:

> An anomaly exists in the way "referral authorities" have the opportunity of commenting on subdivisional plans and of making servicing requirements. It would appear that these "referral authorities" are those to whom an application for a planning permit under the Planning and Environment Act must be referred. The anomaly exists in that some development—e.g. subdivision in a Residential "C" zone—does not require a town planning permit and that, therefore, it might follow that a servicing authority might not have the opportunity of imposing, for example, a drainage or sewerage requirement in a residential subdivision.

The REIV of Victoria is anxious that the Subdivision Bill, when it comes into operation, will be a workable document known and understood by the public at large, including the vast number of Victorians who currently are members of bodies corporate. That is certainly not the situation at the moment.

The aim should be to ensure that the public is aware of what is proposed in the Bill. I reiterate my earlier comment: it is unfortunate that at this late stage honourable members must consider so many amendments to an important piece of proposed legislation.

The honourable member for Ivanhoe referred to clause 18 and the increase in the requirement for public open space from 5 per cent to 6 per cent. The National Party supports the Opposition's contention that 5 per cent is an adequate requirement. It should not be increased. There is a natural inflation rate built into the contribution as the value of land and other costs increase.

I refer briefly to staged development. A number of municipalities, particularly in country Victoria, are conscious of the ever-increasing cost of creating a subdivision, particularly for residential purposes. Any subdivision must be undertaken in the knowledge that the cost of servicing the blocks of land when they finally go on the market will be at a price that people will be willing and able to pay. Some municipalities have taken the very progressive step of allowing developments to go through with minimum requirements. In a staged development, the basic facilities are provided, such as roads—although not necessarily sealed—power and water. Other facilities, such as the sealing of the road, kerbing, channelling and footpaths, are provided at a later stage.

The benefit is that the blocks of land are put on the market at a reasonable price which allows people to acquire a block of land on which to build their home and then, in a couple of years, when they are in a better financial position, the other facilities can be provided, such as the sealing of the roads, kerbing, channelling and footpaths. This is done at a later stage, rather than requiring the first home buyer to pay the full cost of a block of land at the time of purchase. Nothing should be done to inhibit the progressive attitude of some municipalities in that regard.

The honourable member for Ivanhoe said that clause 20 will widen the parameters in which a council can spend the cash contributions it derives from the 5 per cent—or the proposed 6 per cent—recreation contribution. A genuine concern of councils and other local authorities is the balancing of budgets. They might be tempted, under the widening of the powers provision, to spend that cash on updating existing parkland rather than purchasing additional parkland, which was the intent of the Bill when the 5 per cent recreation contribution was introduced.

A number of submissions have been made on the Bill by the Institution of Surveyors Victoria and others. I commend those organisations on their submissions. The Institution of Surveyors Victoria has undertaken much work in making comments on the proposed legislation clause by clause.

The National Party supports the general thrust of the Bill although a number of areas need clarification. It would be appropriate if a Bill were introduced nearer in form to what will finally be passed by Parliament rather than in the form in which it is presented to the House today.

Mr ROPER (Minister for Planning and Environment)—It is pleasing that the Bill has been supported in the main by both of the opposition parties but a number of issues have been raised that need to be addressed. The first issue relates to open space. Both other parties have suggested that they will be opposing the increase from 5 per cent to 6 per cent in the amount of open space required under the Bill. That move will be a disappointment to the Municipal Association of Victoria, which, on behalf of its constituent councils, has been pushing for a figure higher than 6 per cent.

The government believes the slight increase allowed for will provide adequate development of open space in the outer suburbs of Melbourne and in the outer areas of

country cities and towns as they continue to develop. I hope the opposition parties will have a change of mind while the Bill is between here and another place.

The honourable member for Benalla referred to the large number of amendments to the Bill. In discussions with various honourable members—and I am sorry if the honourable member for Benalla was not involved in those discussions—it was agreed that it would be preferable if the amendments were separate from the Bill so that honourable members and outside organisations could immediately ascertain where the amendments have occurred. I appreciate his concern but it was at the request of others that the amendments are being carried out in that manner rather than by bringing in a new Bill.

Mr McNamara interjected.

Mr ROPER—The honourable member seems to take the view that the government should ignore representations. It would be amazing if it received no suggestions for amendments from outside groups. In fact, one of the people chiefly involved in developing the amendments was the Liberal spokesman in the other place, the Honourable Alan Hunt, who worked—indeed until late last night—with officers of my department on the amendments.

To ensure that the best Bill possible was drawn up, the government consulted broadly with interested groups and with members of the opposition parties and will continue to consult on and work through such matters in the most appropriate way so that the best possible legislation can be adopted by Parliament, not simply the best legislation for one party in Parliament.

The honourable member for Benalla also raised the issue of staged development. Many municipalities have had difficulties because of a lack of capacity for staged development. The honourable member for Benalla correctly points out that this has affected country municipalities. It has also affected outer Melbourne municipalities. I am pleased with the general support of the House for the provisions in the Bill relating to staged development.

As a result of extensive processes involving conferences with a wide variety of industry and related organisations, including the Municipal Association of Victoria and the Metropolitan Municipal Association Inc., a better and more adequate Bill will pass through Parliament. 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.

MARINE BILL

The debate (adjourned from October 28, 1987) on the motion of Mr Roper (Minister for Planning and Environment) for the second reading of this Bill was resumed.

Mr BROWN (Gippsland West)—I commence my contribution on behalf of the Opposition by quoting from the second-reading speech of the Minister for Planning and Environment, the then Minister for Transport, where he said that:

> For some years now, transport legislation in Victoria has been undergoing a process of extensive review . . .

There is no doubt about that. When the Labor Party came to office, the Victorian rail network was known as the Victorian Railways. Since that time, the transport system has been turned on its head. The government did away with the Victorian Railways and created the Metropolitan Transit Authority, the State Transport Authority—or V/Line as it is commonly known—and other entities. The government monumentally mucked up the public transport system. Across the board the system is losing more than $1000 million a year.

The process of extensive review to which the Minister referred in the second-reading speech is continuing unabated, and this Bill makes more changes. The Bill deals with all

aspects of marine law, including the operation of marine craft in the State. In his second-reading speech, the Minister stated that transport legislation in Victoria has been undergoing a process of extensive review:

> . . . commencing with the enactment of the Transport Act in 1983 and the remaking of the regulations associated with the Act. The next major stage in the review process was continued with the enactment of the Road Safety Act in 1986. These two Acts are important pieces of legislation and represent significant advances in the areas of transport legislation with which they are concerned.

The Bill is important not only from the Crown's point of view but also from the point of view of hundreds of thousands of Victorians who pursue boating interests as their sports and hobbies. It extends past people pursuing boating as a recreation to those who are more vitally concerned with marine law—I refer to the many people in Victoria associated with marine activities for their livelihoods, especially fishermen, who are vitally interested in all aspects of the proposals in the Bill. Provisions of the Bill include charges for the mooring of boats and many other charges.

The Bill encompasses the registration of vessels, the operation of vessels on State waters, offences involving alcohol or other drugs by the operators of vessels or craft, all aspects of pollution involving operation of vessels in Victoria, international conventions, marine infringements, the operation of the Marine Board of Victoria and general offences. All those subjects are presently provided for in the Marine Act 1958, the Motor Boating Act 1961 and the Navigable Waters (Oil Pollution) Act 1960.

If the Bill is passed—as no doubt it will be in an amended form—all those Acts will be repealed. It is proposed that ship-sourced pollution will be dealt with by both the Pollution of Waters by Oil and Noxious Substances Act 1986, when that Act is brought into operation, and by the new Marine Bill.

The Opposition supports unreservedly any law that takes a very firm stance against the dumping of wastes in any of our waters, either inland waters, any of the bays, or the open ocean that abuts the State. If any waste is purposely and wilfully dumped—which I regret happens from time to time—the Opposition believes the full force of the law should be used against the perpetrators. The honourable members for Mornington and Dromana represent areas that abut the electorate I represent and they know full well the extent of the damage and havoc that can be caused by purposeful and accidental discharge of wastes.

The bay that is closest to the electorate that I represent is Western Port; it also abuts the electorates of the honourable members to whom I referred. Dumping of waste in that bay is of extreme concern when one considers its ecology, such as the colonies of penguins and seals and the wide range of other marine life. It is intolerable that pollution is usually brought about by overseas operators of craft dumping polluted ballast. Usually this purposeful action is carried out well offshore in the ocean but often it ends up on Victoria's beaches. The Opposition will not tolerate that.

Mr Micallef—They should be put in gaol.

Mr BROWN—I have no qualms about agreeing with the honourable member for Springvale. If the waste is purposely dumped and the perpetrators are caught, they should be put in gaol because they put at risk not only colonies of penguins and seals on Phillip Island but also other marine life throughout Victoria. The Opposition fully supports that proposal.

An important aspect of the Bill is the consolidation of the legislative requirements in relation to all types of vessels, regardless of size, into the one enactment. The present Motor Boating Act provides for recreational vessels up to 20 metres in length. The Marine Act concerns commercial vessels, although it also contains provisions of general application to vessels of all sizes. The positive aspect of the new Bill is that this hotchpotch of provisions that are covered by a number of Acts will be brought under one Bill so far as possible. That is sensible and worthwhile.

The Bill provides for a number of offences relating to alcohol, including the offence of a person with a blood alcohol content of more than ·05 per cent being in charge of a vessel. In his second-reading speech the Minister said this provision was introduced to cover the problems of alcohol consumption in conjunction with the rapidy increasing use of recreational boating. Currently 150 000 power boats use Victoria's coastal, bayside and inland waters throughout the year and, in the past fifteen years, the number of registered boats has doubled from 52 000 to 110 000.

In the main, most of the craft are used during good weather but many are operated by inexperienced drivers although sometimes they are under the direct purview of mature adults. It is of concern that immature people are in charge of some craft. During the summer season the media usually carries two or three reports of people being either killed or badly injured as a result of some lunatics acting stupidly in boats. Over the years I have done a considerable amount of water-skiing and am aware that on occasions swimmers are run down by motor boats. In the majority of cases it is accidental, but one can imagine the damage a speedboat can do when it flies over a person. The propeller usually cuts the person to pieces.

The Liberal Party considered in detail the introduction of a law that would require people in charge of boating craft to accept the same responsibilities as motorists. In other words, the driver cannot be drunk, and cannot have a blood alcohol content in excess of ·05 per cent. The Liberal Party unanimously agreed to support that proposal. Members of the Opposition experienced some qualms about certain aspects of the proposed legislation but they will be covered later in the debate. Suffice to say, the Opposition does not see any reason to tolerate a person who is drunk and in charge of a vessel that can inflict loss of life or maim people for life.

The Opposition will ensure that people who sensibly and legitimately use recreational and shipping craft are allowed to do so under no restraint but, if they are drunk, no political party should agree to them being in charge of such craft.

The Bill applies to all waterways in the State and those that abut the State. A clearer definition would be waters that are navigable within the limit of the State and the territorial sea adjacent to the State, which, broadly speaking, encompasses four categories of water known as ports and harbours, navigable rivers and creeks flowing into the sea, completely land-enclosed waters such as lakes and reservoirs, and navigable rivers and creeks flowing into land-enclosed waters. The territorial sea is those waters extending 3 nautical miles from the low watermark.

The government is claiming considerable support for all provisions encompassed in the Bill. It constantly harks back to a fairly extensive report known as the "Boating Facilities and Safety/Education Program and Public Mooring/Berthing Rents". That report was released by the State Boating Council and was printed and distributed in July 1987. Most of the new proposals, such as the charging for berthing of boats, arise from that report.

The State Boating Council is comprised of people who generally have a widespread interest in boats. Therefore, members of the council represent those who have an interest in recreational boating and those who derive their livelihoods from the control, ownership, and operation of boats, such as professional fishermen. I shall quote in part from the July 1987 report of the State Boating Council. The council believes that boating is one of the fastest growing and most popular recreational activities in the State. That may be true, but tourism is also fast growing and popular.

Tourism and boating activities go hand in hand. As the State Boating Council and I have said, approximately 150 000 powerboats and yachts use Victoria's waters. Therefore, it is sensible and practical to control the activities of craft and the operators of such craft. The State Boating Council said that there is a real need to improve boating facilities and promote boating safety for the increasing number of boat users. My colleague, the honourable member for Dromana, agrees with that. There is a crying need for adequate funding of boating facilities, and all honourable members would agree that it makes sense

to continue to promote programs that promote boat safety and lead to the better control and operation of boats.

Boating facilities that are currently provided are grossly inadequate. I have no doubt that honourable members who will follow me in the debate will quote ad infinitum, as I can from my knowledge of my electorate, the lack of boating facilities throughout Victoria. It is a Statewide problem.

Boat launching ramps, which do not cost a fortune to provide, are sadly lacking in many localities throughout Victoria. The Opposition wants an assurance from the Minister, not merely in printed form, that the government has a real commitment to ensure that the millions of dollars that will be raised as a consequence of the Bill being enacted will be used to provide facilities for people who operate boats throughout Victoria. The Minister must give a clear commitment that it is his and the government's intention that those dollars will be used to provide facilities for the people who provide the money in the first place, the people who are charged registration fees for their boats or who pay mooring fees for boats on an annual basis. The government's commitment should be total, and every dollar raised should be returned to benefit boat users, because facilities are lacking in many areas.

The State Boating Council's report said that currently there are inadequate funding sources. The main sources of revenue available for the government to improve boating facilities and the promotion of safety campaigns are motor boat registration fees and fines for boating offences, which currently total approximately $2·6 million per annum. That money is collected by the Road Traffic Authority. Approximately $770 000 a year is collected by port authorities for public boating and mooring fees.

The report also notes that motor boat registration fees have not increased for four years and prior to that increase—this is a pertinent point—the cost of collection and police enforcement had risen to over 90 per cent of the funds collected, at the expense of improvements to facilities and the promotion of boating safety. That is a telling observation. Nearly all the funds derived from registration fees and the collection of fines go to the cost of policing.

Any system that spends nearly all the money that is collected simply on enforcement should be examined. As millions of dollars will be raised as a result of the enactment of the proposed legislation, the Opposition wants a clear understanding from the government that the money will not be absorbed into the cost of providing extra policing facilities, and that facilities will be provided on the ground, so that people who use boats can see tangible benefits.

At present, motor boat owners pay a registration fee according to a sliding scale, based on engine power and the size of the boat. Moored or berthed motor yachts do not currently attract registration fees. The funds collected by the Road Traffic Authority are paid into consolidated revenue, and an appropriation is then made to the Victorian Tourism Commission, less the cost of collection and the cost of police enforcement, for the development of new boating facilities, promotion and other boating programs such as the provision of zoning buoys.

Again I make the point that only a small amount of money is returned to boat users. Like the vast majority of Victorian citizens, boat owners and users are law-abiding citizens who do not infringe the law, but nearly all the money that they provide as fees or fines goes to law enforcement. More money should be available to create better and more facilities for boat owners.

The Opposition has received written representations from a number of professional groups concerned about the Marine Bill. Correspondence was received from the Portland Professional Fishermen's Association enclosing correspondence that it sent direct to the former Director-General of Transport, Mr Russel Ingersoll, as part of its submission on these proposals. The association said, in part:

We wish to make the following comments regarding increases in mooring charges as proposed for a Marine Bill 1987.

We believe the proposed fees are grossly excessive for the following reasons.

1. They will be at least triple, and up to ten times higher than fees charged for comparable facilities in other States. For example in South Australia, taking into account a recent 15 per cent rise, the most that a 15-metre fishing vessel will pay to lay at a public wharf is 89 cents per metre per week. For a 7-metre vessel it is 66 cents per metre per week. To lay alongside in Victoria Dock in Hobart, just two blocks from the GPO costs 34 cents per metre per week for a 13-metre vessel. A schedule of fees for South Australia and Southern Tasmania is attached . . .

The schedule shows that the fees charged are considerably less than the fees proposed in the Bill. The association says that it believes the fees charged in New South Wales and Queensland are much less, but it does not have the information at present.

The association goes on to state:

If this increased burden were placed on the general public in the form of increased taxes, this government would be thrown out of office at the next election.

That will happen anyway, but that is not the point made by the association. It is saying that the proposed increases, bearing in mind that the members of the association use their crafts to earn a living, are grossly excessive.

The association then says:

Does the government consider it can get away with the proposed increases due to the lack of voting power of the boating population? If they think the fishermen are going to go down without a fight, then they are very very wrong.

The association then makes the point that farmers are not expected to pay for all the roads in a shire because those roads are required by farmers to get to their farms, regardless of the benefits the roads provide for the rest of the community. Of course farmers are not expected to pay for the roads that abut their farms. The community has the benefit of those roads and farmers cannot be required to pay the whole cost of them; although in view of the way road funding policy has changed over the past two years, one wonders whether any money will be provided for the upkeep of local roads in the future.

In conclusion, the representation from the Portland Professional Fishermen's Association said:

. . . we demand that the draft proposals be thrown out and rewritten with the Victorian Professional Fishermen's Association represented on the council.

At the time of that representation professional fishermen had no representation on the proposed board but, because of representations such as this, the government has agreed to change its original proposals and the proposed board will include representatives from professional fishermen's organisations. The Opposition supports that proposal.

Mr Evan P. Beach, a gentleman from Paynesville said, in part, in representations to the Executive Officer of the State Boating Council:

I am not deceived by the "removal" of the registration fee and replacing it with the "Boating Facilities and Safety Education Program". To me it is just another name for what is in effect still registration. In my case, a rise of 20 per cent—so much for the maximum 6 per cent preached by the government.

The lengthy letter concluded by stating:

. . . I would just like to state that like many other retirees, we sacrificed for the pleasure of a boat in retirement, I chose a boat requiring wet storage because of our ages and increasing difficulty with a trailable boat at the launching ramps and am prepared to make a REASONABLE contribution for the privilege of a berth.

Like the Portland Professional Fishermen's Association, this gentleman makes the point that he considers the charges suggested in the Bill are excessive. A letter I received from the Boat Owners Association of Victoria Inc. stated, in part:

Boat owners, generally, cannot now bring themselves to believe that the government is sincere in its proposals to improve boating facilities, and feel certain that nearly all the increased revenue from the proposed new

registration system would be absorbed in consolidated revenue, with nothing coming back to the boat owner in the form of the safe, all-weather facilities which are denied him at present. The general view is that, while the government will continually promise better facilities, each individual project will be blocked as a result of the pressure exerted by radical conservationist groups.

Again a boating association is expressing concern at what it sees as a huge hike in taxes and charges on its sport and associated leisure activities. It must be agreed that, generally, what those associations say is correct; in many cases the hefty increase is not an increase but an imposition of charges that currently do not apply. As I said before, the vast majority of boat owners in this State do not have to pay mooring fees—those fees will be imposed as a result of the Bill.

The Executive Director of the Boating Industry Association of Victoria Ltd, Mr Ken Hore, wrote to the former Director-General of Transport stating:

We recognize that the legislation provides for a single Act which applies to all forms of boating and shipping ranging from small recreational craft to large commercial vessels. . . . The importance of this change cannot be underestimated, and we note the proposed composition for membership of the new Marine Board makes no allowance whatsoever for recreational boating representation.

Again, the government has been prepared to consider representations along that line. I am pleased to see that the government has given an indication that the new Marine Board of Victoria will have a member representing the interests of recreational boat owners.

The Western Port Safety Council contacted me and, in part, stated that it had discussed the Bill and supported the basic amalgamation thrust involved. However, the council made a number of representations, one of which related to the need for a member on the new board to represent recreational boat owners. Once again, that point has been made.

As I said, the Opposition supports the view that recreational boat owners should have representation on the new board and, if the government had not made such a provision, the Opposition would have moved amendments to incorporate such a proposal.

The Opposition also received representations from the Victorian Yachting Council and, in a letter to the former Minister for Transport, the current Minister for Planning and Environment, the council stated:

You will be aware that the VYC represents approximately 30 000 members with a fleet of 11 000 pleasure craft, and as such we believe that it is appropriate for our organisation to be involved with the frame work of regulations which affect the leisure boat areas.

My understanding, as a result of contacting the Minister at that time, is that discussions took place and many of the points raised—which are totally valid—have been addressed. The letter further stated:

The Road Traffic Authority should cause to be kept a register of motor boats and shall cause to be assigned to every motor boat registered in such register a separate identifying mark or number:

Provided that where any motor boat is registered with any bona fide club association or organisation approved by the Road Traffic Authority for the purposes of this Part the identifying mark or number to be so assigned shall be the identifying mark or number assigned to the motor boat by such club association or organisation.

That is a bit of a mouthful. The council believes craft that are used for bona fide search and rescue operations should not be subject to registration charges. The council has no objection to craft used for search and rescue operations being required to bear an identification number; in fact, the council, as well as the Opposition, sees that as desirable. The Opposition shares the view of that organisation to the extent that, during the Committee stage of the Bill, it will move a number of amendments, one of which will ensure that craft used for bona fide search and rescue operations are required to have registration numbers, but the registration shall be free of charge.

Initially it was pointed out that rowing boats and sailboards—that is, of course, surfboards with sails that move by wind power—could possibly be subject to registration procedures. The Opposition will move amendments to ensure that rowing boats are not required to be registered and that sailboards are not deemed to be craft that require registration. It will

also move that yachts that are currently exempt from registration fees remain in that category.

The Opposition believes craft which are currently registered and for which registration fees are paid should continue to be subject to those procedures and fees. However, the Opposition does not believe the owners of rowing boats, sailboards or yachts that are currently exempt from registration fees of any kind, should now become lumbered with them.

Mr Mathews interjected.

Mr BROWN—The Minister asks why the Opposition requires that. The simple fact is that at present one does not pay a fee to register a yacht. I have made it clear that some craft are now subject to registration: trailer sailers would be one category that the Opposition agrees should continue to be registered under the new Bill. However, the majority of sail craft in this State at the present time are exempt from registration fees. In other words, the owners do not pay one cent to operate sail craft in Victoria at present, and that should continue.

The Opposition sees no argument put forward that it can support that sail craft that are currently able to be owned and operated in waters around Victoria without the payment of fees should now become subject to charges, but believes all boat owners who are currently paying registration fees should continue to do so; that includes trailer sailers and some sail craft. The mechanism by which registration charges are determined is complicated; it is determined basically according to the area of the sail and the cubic centimetre capacity of the motor. Under that complex formula a large number of sail craft are currently registered. However, by far the majority of sail craft in this State are not required to be registered, and the Opposition believes that that should continue to be the case.

Numerous representations were received along those lines. One was from Mr K. D. Fitchett from Cheltenham. He made many telling comments and good points in his representations and he also states:

> The recreational vessel definition would include all classes of yachts that at present do not pay a registration fee...
>
> This appears to be a major change from the Motor Boating Act 1961, and would appear to form the basis for a new tax on yachtsmen without the government providing minimal services in return.

The Minister asks, by interjection, whether they receive no benefit. This gentleman said, "minimal services in return." I cannot say they receive no benefit. He states, "without the government providing minimal services in return." I agree that some services are provided. For example, boating people are able to launch their boats, in the main, on ramps that exist and, on rare occasions, some boating people are caught in squalls and the authorities have to go out and rescue them.

Mr Mathews interjected.

Mr BROWN—Most people say there is no benefit in policing. In fact, many people see the policing, when they are apprehended, as being a distinct disadvantage! But I admit that the vast majority of boat owners are law-abiding citizens and they want to see the ratbags apprehended. Therefore it would be untrue to claim that there are no benefits from these services for people who own yachts.

However, again I say that no argument has been spelt out by the government in support of the concept in the Bill that all of those thousands of yacht owners who are presently exempt from the payment of any registration fee should now be charged. Maybe the Minister, in his contribution, will give some reasons for the charge. Certainly the present position is that those who do not pay believe they should retain that right. I assure the Minister that that is the prevailing attitude of everyone who owns a yacht to whom I have spoken and who at present does not pay registration.

Among other representations, I received correspondence from the Victorian Professional Fishermen's Association, which points out:

In addition the report fails to acknowledge that the State government has a firm pricing policy that no taxes or charges should rise by more than 6 per cent. The government itself has stressed the importance of this policy and it was the basis of its action to limit the increase in grocery prices. Having foisted its own policy on other parts of the economy, it can hardly seek to increase any of its own charges by more than 6 per cent even if it is in the guise of a move to full cost recovery.

That is a telling point. For one who pays nothing at present and is faced with the introduction of a hefty registration fee, it is a significant increase—far in excess of 6 per cent. A consequence of the Bill will be hefty rises in costs for boat owners in other areas, not just in the provision of or charging of mooring fees, whereas at present they pay nothing.

I shall now mention a couple of near major disasters that have occurred in Victoria in recent years with the operation of craft. The MV *Ace Chemi* and the MV *Tolema* were involved in a collision on the Yarra River on 18 April 1987. I have obtained a copy of the casualty report compiled by the Marine Board of Victoria after the accident and it says, in part:

Although damage arising as a result of this casualty was slight and injuries nil the potential consequences could have been catastrophic given the nature of the cargo aboard MV *Ace Chemi* and the gas condition of *Tolema's* tanks.

Ace Chemi carried aboard 2200 tonnes of aviation turbine fuel, 1200 tonnes of styrene monomer, and 2000 tonnes of methanol. These substances present a high fire and explosive risk with extremely harmful vapours on release to the atmosphere.

Those remarks could even be construed as something of an understatement. Had this craft gone up, I suggest that it could have demolished everything within a kilometre either side of the Yarra River.

In its summary conclusion, the board states—and I am quoting only in part because it is a lengthy finding:

The cause of the accident was the complete failure of the master of the *Tolema*, to appreciate that a close quarters situation was developing between his vessel and *Ace Chemi*.

The master of *Tolema* was at fault in that he made a gross error in his conduct of *Tolema* . . .

The master of *Tolema* was in breach of Rule 8 of the Regulations for preventing collisions at sea in that he failed to take positive action to avoid collision, in ample time, and with due regard to the observance of good seamanship.

The mate of *Tolema* was at fault in not ensuring that the master was aware of vessel movements. The consumption of alcohol may have played a part in this casualty.

The company responsible for crewing *Tolema* was in breach of section 62 of the Marine Act 1958 in that it employed as master of *Tolema* a person who did not hold a valid certificate of competency or service and did not use reasonable means to ascertain that he was duly qualified—this breach did not contribute to the collision.

The report states that it was a fact that alcohol played a significant part in this near catastrophic collision. It states:

In view of the fact that both the master and mate are leaving the industry and hence have no use for their certificates the board has determined on the following action:

(1) inform the master that his certificate of service will not be recognised for service in Victorian vessels;

(2) request the mate to return his certificate of competency as master (river and bay) over 100 tons to the board.

Notice to be circulated through the local maritime industry regarding the role of alcohol in this incident and recommending bans on consumption completely for crews whilst on duty.

Vessel operators to be informed of the consequences of employing persons without valid qualifications.

I do not know what action would have been taken if that person had not been planning to retire from the industry, but a person allegedly drunk in charge of a vessel on the River

Yarra in Melbourne carrying such volatile fuel has no right to leniency whatever, if found guilty.

Mr Mathews interjected.

Mr BROWN—I agree with the Minister—drunk and in charge of any vessel—but more so in the case of drunk and in charge of a vessel such as this. I shall quote from another Marine Board of Inquiry held into a casualty constituted by the grounding of the motor vessel the *Golden Gate Sun* on Shortland Bluff, Queenscliff, in Port Phillip Bay on 29 August 1984.

Honourable members may remember this incident as clearly as I do. It was reported on the front page of the *Sun* that morning and I clearly remember over breakfast that morning seeing the picture of a huge ship grounded at Queenscliff just across the bay from this side of Melbourne. I looked in disbelief at this massive craft stuck up on the shore. It was travelling at a fair rate of knots when it became grounded. It was not just turning a corner and clipped the shoreline; it was sailed by a pilot straight up onto the beach.

All honourable members will be aware of what happened in New Zealand only last year when a pilot in charge of a vessel decided to take a short cut and that Russian craft, from memory, was sunk with the loss of only one life, which was quite fortuitous given that there were hundreds of people on board.

Alcohol was found to play a significant part in that accident where the craft was sailed up onto the beach of Port Phillip Bay. One can only imagine the catastrophe that would have occurred if the ship had been carrying fuel and had split open as a result of either a collision with another ship or a collision with a wharf in the port of Melbourne. The consequences of such an accident would be horrific.

The person immediately involved in the grounding of the *Golden Gate Sun* got off very lightly. His suspension was short and he was able to resume his duties as a pilot a short time afterwards. That is not a reasonable situation. If a person beaches a craft of that kind in Port Phillip Bay he should be forced to look for some other form of employment. Certainly, his licence should be withdrawn as soon as charges have been proven.

The Shire of Woorayl has made representations to me about craft for the State Emergency Service. In Inverloch, for example, there is no boat available for the State Emergency Service to operate. The shire believes the State government should look at funding a craft for the State Emergency Service where there is a requirement for such a craft—and there is certainly a requirement for such a craft at Inverloch.

A large number of rescues have taken place at Inverloch in recent years. That is particularly so with a number of Melburnians who have crossed the bar at Anderson's Inlet at Inverloch and have had their boats overturned in very rough conditions. Until recently, the shire had the use of the Shark Cat that was permanently on loan to them. Unfortunately, the owner of that craft required it, so it is no longer available.

Provision should be made for the supply of such craft where a need for them has been proven. That is the case not only in Inverloch but also in other localities where boating conditions may cause a high risk to life. As is the case with the provision of ambulance services, not only should the craft be provided but also staff should be provided on a 24-hour basis. In Inverloch, a 24-hour on-call lifesaving service is provided, but no craft is available.

As a consequence of the Bill being enacted, millions of dollars will be raised. The Opposition believes some of that money should be spent on the provision of such craft. If the State Emergency Service, or any other local entity that performs a bona fide lifesaving role, can establish a need for such a craft, the government should consider footing the bill for that craft.

In the Committee stage of the Bill, the Opposition will move a small number of amendments. The Opposition will move that rowing boats, yachts, canoes and sailboards

be exempt from any registration provisions. Further, the Opposition will move an amendment to the effect that boats that are registered with a bona fide club, association or organisation should be exempt from the payment of registration fees if they are used for search and rescue operations.

The Opposition will also move an amendment requiring that fees, rates and charges be set by regulation and be subject to disallowance provisions, rather than allowing increases to be fixed by a board with the agreement of both the Minister and the Treasurer. Other than those foreshadowed amendments, the Opposition supports the Bill.

Two days ago I represented the Opposition at a function at Lakes Entrance and I took the opportunity of looking at the facilities there. While I was there, Councillor Ray Barling informed me that there had been a recent announcement that $400 000 would be spent by the Port of Melbourne Authority at Cunninghame Arm. That announcement was made by the Deputy Premier in his role as the then Minister responsible for tourism, and he announced that the money would be spent by 30 June this year.

Cunninghame Arm is well known to many honourable members; and I am sure that the National Party member who will follow me in the debate will give the House chapter and verse on that area. The government has made great play of its announcement that it will spend $400 000 by 30 June. There is no possibility that the government will spend that money by 30 June. The announcement is a public relations exercise to gain support for the government at Lakes Entrance. Cunninghame Arm is a beautiful area, and although the Opposition is reluctant to agree to increases in government expenditure, the community at Lakes Entrance will benefit from that expenditure. However, as I have said, there is little hope that a major works project will be commenced by 30 June, let alone be finished.

The Minister for Community Services, who is interjecting, makes the point that a commitment has been given by the government. I ask the Minister to give a commitment that, if by 30 June only part of the $400 000 is expended, funds will be provided to enable the project to continue into the following financial year. Only $100 000 or $200 000 will be spent by 30 June this year; the Minister should give a commitment that the project will be finished without a break. In the main, the citizens of the area support the concept. If the project is not finished, they will have been misled. The Opposition supports the announcement made by the Deputy Premier. The government should give a commitment that the project will not be left half finished.

There are one or two other areas in which some of the millions of dollars that will be raised when the Bill is enacted can be spent sensibly. Professional fishermen in the Lakes Entrance area have an ongoing battle with louts who damage their craft, usually at night. It is easy to walk onto the jetties from the foreshore and, if one is so inclined, damage the craft. Some professional fishermen in the area have suggested that it would cost very little to secure that area by erecting an enclosure in the form of a steel frame with galvanised pipes, covered by wire spikes all around it, down to the water. That would make it impossible to walk onto the jetties at night unless one had a craft moored on the jetties and had a key to the enclosure.

It is a worthwhile suggestion. I am not saying that it should be implemented unilaterally because it was only a suggestion from a small number of people whom I met. The government should discuss with fishermen across the State the idea of securing their craft at night through the provision of secure entrances to jetties. It must be said that if a professional or semi-professional thief wants to steal something from those craft, there is no way the thief would be stopped by such a system; it would be simple to take a boat around such obstructions.

The average Saturday night lout is the main problem. Usually those louts are visitors to the area; certainly they would not be locals. I say "certainly" because I live in a community at San Remo where a similar problem exists. When the offenders are apprehended, which happens on most occasions, it is invariably discovered that they are not local young blokes

out for the night. Locals could not hold up their heads again in the community if they were caught smashing instruments on boats.

Most of the offenders do not come from the area. They are only some of the many people who visit the area and take advantage of the wonderful tourist facilities that are available in such communities. Many areas in my electorate, as well as areas all along the coast, must contend with visitors. They are very welcome, of course, but loutish behaviour will not be tolerated and must be minimised.

The erection of secure enclosures would not cost very much. The erection of a galvanised iron frame with gates to be locked each night and opened each morning by professional fishermen would stop louts doing what they wished to the boats moored in those areas. The government should consider the proposal.

The final point is that the water supply to the jetties at Lakes Entrance is woefully inadequate to cope with onboard fires. Occasionally, fires break out on vessels, sometimes lit by louts, but the jetties do not have sufficient firefighting facilities, such as hoses. There is only a trickle of water, which is not good enough. As the town has a good water supply, it would not involve major expenditure to provide two or three lines out to the jetties and hoses and reels on all jetties to allow fishermen or anybody in vessels on the sea to put out fires at the source.

Although the Opposition will move the small amendments I have outlined, it will support the Bill. The amendments will bring about yet another slug on a large number of taxpayers who are boat owners and operators, but the government will have to live with that. It does not have general support for the concept of increasing fees by a massive degree or applying charges where they do not currently apply; but we must accept reality. The Labor Party will be running Victoria for the remaining few months of its term in office, and it will continue to do things as it sees fit. It will contribute only to its downfall; and I wish it well in that regard!

The Opposition has constructively examined the Bill. There are many good aspects to it, most of which I have covered in my contribution. The Opposition will seek to remove the provisions that it finds untenable. Some matters that the Opposition finds unpalatable will have to be suffered on the basis that the government of the day has decided that it is the way to go and it would be unreasonable for the Opposition to move any further amendments than those it has foreshadowed. The Opposition will move amendments not only in this House but also in the other place.

Mr B. J. EVANS (Gippsland East)—This Bill will rewrite the Marine Act and provisions of the Motor Boating Act. It is endeavouring to put into one consolidated Act provisions relating to transport or the use of our waters, including both inland waters and coastal waters, by all types of craft. Although that may sound like a great idea on the surface, I have grave doubts that it is capable of being satisfactorily accomplished by the proposed legislation.

In many respects the Bill could be summarised by the government saying, "Give us power to do everything we may need to do and trust us to do the right thing". The government has not demonstrated that people ought to confer that sort of trust on it, especially this Parliament. One aspect that bears out that view is the definition of "vessel". The Bill includes a number of definitions for different types of vessels but they are all similar in context. The definition of "vessel" states:

> "Vessel" means any kind of vessel that is used, or capable of being used, in navigation by water, however propelled or moved . . .

I question the validity of a definition of a word that includes that very word. To say that "vessel" is defined as any kind of vessel seems to be engaging in a snowballing operation. The legal profession could have a field day trying to work out what the word "vessel" actually means.

It seems to me to include everything from a foreign-going passenger ship to a plank of wood on which a child sits and propels himself with an old cricket bat. Surely, that plank of wood is capable of being used in navigation by water and being propelled by the child using a rough paddle that he has made for himself! It seems the government has made the definition so broad that it encompasses everything and is asking honourable members to trust it to exclude those things such as the child sitting on the plank of wood and paddling with a home-made oar. It is asking us to trust it to exclude kayaks, canoes, sailboards and all those sorts of vessels to which the honourable member for Gippsland West referred.

The definition needs more restrictions than is given in the Bill because the current definition will entitle the Marine Board of Victoria specifically to require those vessels to be registered.

The major flaw in the Bill is the failure to take the opportunity of introducing the licensing of boat operators. I realise that the Minister indicated in the second-reading speech that the government is still considering that proposition. I do not believe there is any way of controlling boating operations and imposing the necessary discipline unless operators are licensed. There is no reason why the provisions of the Motor Car Act could not be suitably modified to cover vessels used on water. The same sorts of provisions could apply to the operation of boats.

It is strange that a person like myself, who has never operated a boat, can go to places such as Metung and hire a cruiser capable of accommodating up to twelve people and travel around the lakes on that fairly substantial vessel. No doubt, certain instructions are given before one takes over those vessels, but I suggest that it takes certain experience to handle vessels of that kind in conditions that one is not likely to understand, particularly with a fairly strong south-westerly wind.

I understand that considerable damage has been caused by some of the operators of those large vessels simply because they do not understand the physical problems involved in pulling up to a jetty. I have heard complaints from boat owners of considerable damage being caused to vessels by the operators of the hire-and-drive-yourself craft. In one case recently I heard of damage requiring approximately $6000 to repair the side of a yacht that was severely lacerated by one of those vessels. Perhaps some of the operators of the hire-and-drive vessels would be concerned about any provision requiring boat operators to be licensed, but such a requirement would be in their interests. They would know that the people operating their craft had had at least some basic training and some knowledge of seamanship.

That would be in line with what happens in New South Wales and most other States, where there are licensing provisions for operators. I hope the government does not dally too long before introducing measures of that kind. That is an essential means of bringing some discipline to boat owners, because unfortunately too much inexperience and sheer larrikinism occurs with many people who operate boats, much to the inconvenience and annoyance of others operating their vessels quite rationally and sensibly.

Another provision in the Bill referred to by the honourable member for Gippsland West relates to the imposition of fees; the National Party supports the proposition put by him. It is rather extraordinary to have such a provision in the Bill, because it gives no indication whether the fee is to be charged for the provision of any particular service. The provision stipulates that the board may, if the Minister approves, after consultation with the Treasurer, fix a fee to be imposed for the provision and maintenance of boating facilities and services, and for the conduct of boating safety education and promotional programs. The Bill does not stipulate whether the fee is for a particular facility or service that may be provided for the boat owner, although it could be interpreted in that way. That provision would need to be tightened considerably. The amendment already foreshadowed by the honourable member for Gippsland West will probably accommodate our concerns in that regard.

Boating is a very popular pastime in many areas in east Gippsland, not the least of which is the Gippsland Lakes—the largest inland waterway in the Commonwealth. One of the major problems confronting the people promoting that area is the lack of facilities for the boating fraternity.

When the Motor Boating Bill was passed in 1961, the main justification for the introduction of registration of motor boats was to provide funds to construct facilities for boat owners. Considerable funding for boating facilities was made available during the first decade of the operation of that fund. At about that time, another source of funds for the provision of boating facilities was the Commonwealth government, through what was known as the Commonwealth–State roads agreement, by which the Commonwealth returned funds to the States as a portion of the fuel tax imposed initially and specifically for road funding.

It was recognised in those agreements that boat owners also paid a fuel tax on fuel used in motor boats. It was accepted as reasonable that some of the funds should be applied to the provision of transport by other than road, which meant, for all intents and purposes, transport by water.

Places like Lakes Entrance and Paynesville benefited considerably from those funds being made available in that a number of wharves and jetties were constructed. It is ironic that, having received that recognition some years ago and those facilities having been constructed and paid for, the government now proposes that they should again be charged by establishing mooring fees for the use of the facilities constructed by boat owners in the first place. It seems to be the attitude of the government these days.

While I can appreciate that there is some need to have mooring sites, particularly for fishing vessels, there is also a need for other facilities to be provided. At present they are totally inadequate. It is not uncommon for boats to be tied four and five abreast at the wharves in Lakes Entrance because of the lack of sufficient mooring facilities.

That brings to mind the subject I have raised on many occasions and which always puzzles me—why private enterprise is not given an opportunity to provide boating facilities. The major drawback is that private persons cannot obtain title to water frontage land in order to build the facilities. I have always argued that government does not build garages to service and park cars; therefore, why should it necessarily be involved in providing facilities for boat owners?

Until there is acceptance of the fact that private enterprise does need security of tenure on any land on which it might build these facilities, private money will not be invested in the area.In my office I have plans given to me some years ago by a gentleman who wished to build a floating marina in the Gippsland Lakes area. At that stage the cost of construction was estimated at approximately $1 million, but he could not get to first base because the government could not be persuaded to give him title over an area of land that could have been dredged to provide access to the lakes and to provide the opportunity for that type of development. Similarly, people who are interested in boat building generally want to have a site with direct access to the water in order to launch the boats from the workshops. If one cannot obtain a water frontage, that opportunity is denied.

It is rather a pity that planning provisions cannot be made for some areas. I am a strong supporter of the idea of public ownership of water frontage areas, and scope should be provided for areas to be set aside for industries associated with the water, primarily those associated with the building and maintenance of boats. Opportunities should be provided for private enterprise to obtain title to land with access to the water's edge so that the facilities can be provided. That would do much towards alleviating the pressure on government for more money to provide mooring facilities.

A major problem in the Gippsland Lakes region is that its promotion has brought a considerable increase in the use of the area for boating purposes. In many places, particularly during peak periods, it is almost impossible to find a place to tie up one's boat for half an

hour to go down to the local store to buy groceries, or to have dinner at the local hotel. There is a significant need for mooring facilities in that area.

I am not certain that this measure will bring about those facilities. I do not share the optimism of the honourable member for Gippsland West. Although large amounts of money might be forthcoming as a result of this Bill, the result may be the same as for the original Motor Boating Act. Despite significant funds being made available at first, it soon became apparent that they would be eaten up by administrative and policing arrangements; very little was left for the provision of facilities.

The Shire of Goulburn has seriously considered the issue of policing motor boats and established its own boating safety officer. That person has been provided with a boat and has done good work in ensuring that operators using Lake Nagambie take responsibility for their actions. I have some reservations about that manner of handling this issue. It should not be the responsibility of local government. Lake Nagambie is a relatively small waterway so it is possible for the local municipality to handle the problem. However, there are significant difficulties in areas such as the Gippsland Lakes which do not fall within any one municipal boundary. I fail to see how a municipal officer could exercise authority there.

It is necessary to provide more policing of the Gippsland Lakes and I believe persons other than members of the police motor boating squad should have powers to control boat operators. It has been suggested to me that officers from the fisheries and the national parks and wildlife divisions of the Department of Conservation, Forests and Lands whose duties take them on and around waterways should be authorised to take action, where necessary, to bring wayward boat owners under control. That might bring about some boating commonsense and safety consciousness.

A significant percentage of boats are not equipped with the correct lights and, therefore, present a danger to themselves and other craft when operating at night. The person who told me about this has had a lifetime of experience with shipping and boating. He informed me that in many cases the red light on the port side and green light on the starboard side are not properly placed so that both lights can be seen from a dead ahead position. If the normal course of action is taken and each boat turns to starboard, it is possible that these boats would still be on a collision course. It is simply a problem with the installation of these lights. They should be visible so that the appropriate light can be seen from the dead ahead position. It is difficult to explain this problem in words. The gentleman described it to me by drawing a series of diagrams, and it is easily understood once one sees such diagrams.

The DEPUTY SPEAKER (Mr Fogarty)—Order! Red to red—green to green!

Mr B. J. EVANS—I bow to the superior knowledge of an old salt. I am not a boat owner myself. The difficulty is that, in certain circumstances, both lights can be seen when one is not specifically dead ahead. Therefore, the lights create problems when the boats cross. Normally one can see the red and green lights all right, but when carrying out the manouevre, as you have indicated, Mr Deputy Speaker, the two vessels could turn into one another instead of missing one another.

The gentleman also complained about a number of light provisions, some of which are in the international code. I do not believe there is any opportunity of changing the provisions listed in the schedule to the Bill during this debate, but this gentleman was concerned about a vessel under 7 metres in length under way because it required only a single white light, which is the same requirement for a larger vessel at anchor. It is impossible to tell whether a vessel is a large vessel at anchor or a small vessel under way. These appear to be elementary provisions that should be corrected.

Mr Stirling—They are at a certain height!

Mr B. J. EVANS—The difficulty is when it is at night or in dark conditions and there is no other object around by which to make a comparison. It is difficult to tell how high a

light is in those circumstances. The vessel could be half a kilometre or only 50 metres away. One cannot tell which light one is looking at without an object being available with which to compare it. Under the circumstances I should have thought that it would be possible to have easily distinguishable lights, perhaps of different colours, to overcome that problem.

Many provisions in the Bill should perhaps be debated in the Committee stage because different issues are covered. The National Party's attitude is similar to that of the Liberal Party. There is a need for some control over the fees that can be charged. Many boat owners are concerned about this issue, although I must admit that the boat owning fraternity is not well organised. I had difficulty in contacting boat owners to acquaint them with the provisions of the Bill. However, they were unanimous in their concern about the effect of the increased fees, particularly about mooring charges. In the Gippsland area a significant proportion of boat owners are retired people who have moved to that area because they enjoy boating and wish to pursue their favourite pastime in their old age.

In the past, many of those people towed their trailer boats to the site and launched them from the launching ramps, but because of their advancing years it is not so easy for them to handle boats in that way. They want permanent moorings, but they have great difficulty in finding appropriate moorings reasonably close to their places of residence at reasonable fees that they can afford to pay.

The government ought to take into account those aspects as well. I believe, if allowed to be involved in this area, private enterprise may be able to provide more sophisticated types of facilities and take over complete management responsibility for boats, which could be serviced and made ready for people to use when they travel to the area for long weekends or during holiday periods.

Those people need someone to look after their boats to minimise the possibility of vandalism, to which the honourable member for Gippsland West alluded, and to have their boats fully serviced so that they can just hop in and enjoy themselves when they get there. Private enterprise would be the most appropriate area to carry out that function. That would enable government facilities to be used by people such as pensioners and others who live locally and use their vessels almost daily. That system would enable the provision of facilities that are urgently needed in the Gippsland Lakes area.

The National Party will not oppose the Bill but, subject to examination, it will probably support the amendments proposed by the honourable member for Gippsland West.

Dr WELLS (Dromana)—This is an important Bill. It contains a number of provisions of great importance to the constituents of my electorate, and I am pleased to have the opportunity of commenting on them. I shall refer to provisions of a general nature first. I refer to the provisions relating to pollution, because in the longer term these are some of the most important parts of the Bill.

It is necessary for one to say clearly in this House, from time to time, that it is important to ensure that the seas of the world are not used as sewers. It may well be that biological compounds break down, but many other pollutants, such as heavy metals and other toxic chemicals, do not. The water cycle of the atmosphere is such that the rain comes down, the water from the land comes in, it evaporates and then comes down again, but the pollutants remain.

The government is to be commended for addressing the problem of pollutants from boats, which are not large in volume, but if one considers, for example, the area of Port Phillip Bay that is largely enclosed, and from which escape of water to the outer southern ocean is not as dramatic as one might at first think, one realises that it is important that that area does not become polluted. There are certainly many illustrations of lakes that have become badly polluted and have required action over years to correct or partially correct the situation.

Another area in relation to pollution is that of accidental damage to tankers, which has occurred all too frequently around the world. I take up the point made by the honourable member for Gippsland West in his contribution to the debate about ensuring that officers who are responsible for sailing tankers are not affected by alcohol. That is an important point. Anything that led to a major spill in Port Phillip Bay would be of the utmost importance because the bay may well not recover from the results of such a spill within our lifetime.

I shall make a passing reference to some other aspects of pollution, although they are not directly germane to this Bill. I believe the government of Victoria must press on. There is more to be done with regard to Port Phillip Bay, especially to ensure that the right laws are in place and that they are enforced.

I now turn to the provisions of the Bill that deal with the registration of boats. I am pleased that the Opposition intends to move amendments so as not to permit the widening of the fee structure for very small sailing vessels. Although it is a matter of judgment that each member of this House must make, I believe it is unreasonable to drag into that structure some of the tiny vessels such as those that young people use.

The question of registration fees is important, as is that of mooring fees. I have received representations from a wide range of people—not only individuals but also people who represent larger numbers—who have protested to me about the effect of the proposed fee structure that they had heard as hearsay at that time but which, in fact, has turned out to be fairly much in line with what the government now proposes. It has been submitted to me that the proposed fees could be too high and may cause difficulty.

I should like to point to a couple of those areas about which concern has been expressed. I am concerned, on the basis of actual figures discussed with me and examples brought foward by commercial fishermen, that the fees will hit them excessively hard. I know we must pay our way in this society, and I do not ask for things to be impracticable, but it seems to me that some of the commercial fishermen in my electorate will suffer considerably. I am sure that is not a desirable point for any State government to reach. I therefore ask the government to be very careful in its administration of this area.

If the government reaches the view that the fee structure is excessive, it will be to its great credit to do something to adjust it. The figures currently being discussed leave me with some concern.

A number of areas in relation to pleasure craft could stand some review. I refer particularly to pleasure boats used by pensioners and other persons who have had their boats moored for many years along the coastline of my electorate, without paying any fee. They may live on fixed incomes and their boats may be of tremendous importance to them in terms of their health, and they may do a bit of fishing as well. They have put to me that the proposed introduction of mooring fees when they moor their boats in a bay or a little inlet along the coast is an unreasonable impost.

I ask the government to examine the situation of those people who have been in the area for many years and to consider making an exception in their case. Many of them will not continue to moor their boats in the area for much longer anyway. It would be different for someone coming in now; he would understand the situation. However, those who have been there for a long while, particularly as they are small in number, deserve some extra consideration. I hope pensioners generally will receive some consideration in the future as well, perhaps by way of concessions, because anything that contributes to their healthy lifestyle will save the taxpayers money as well as making the pensioners' lives happier.

It has also been put to me by a power boat association in Rosebud, which has no facilities that are provided by the government of the day, that such fees would be unreasonable in its case. The association spends much time and money working on the section of beach where it moors the power boats in order to maintain a suitable standard.

In the process it is caring for the coastline there. The association has said that it does not believe it should have to pay for something that it is not getting.

If that is not acceptable to the government of the day, it should do something about providing the facilities that are lacking. That is a significant boating club and it has been there for a long time. It is time that we recognised its contribution and gave its members some rebate on their fees—which might be the cheaper way for the government to proceed—or, alternatively, the government could provide them with the facilities for which they will now be paying the fee the government has decided is appropriate.

The question of facilities brings me to the wider subject of boating facilities and tourism around Port Phillip Bay. I quote from the State Boating Council's report, which the government says is the basis of the current Bill:

> There is a real need to improve boating facilities and to promote boating safety for the increasing number of boat users. A comprehensive recreation boating facility improvement and safety education program should be developed with a view to allowing boat users to safely enjoy Victoria's boating resources.

There are many reasons why we should develop efficiently yet sensibly the facilities we have close to our areas of population rather than forcing people to travel further afield.

The government has spoken a lot about equity. If boat owners are to pay between $5 million and $10 million a year for boating registration and mooring fees, they should expect to receive a little more than they have. My understanding is that under previous Victorian governments the State boating fund collected registration fees and distributed those fees for use in the boating world. I understand that little of that money, which now goes into revenue, comes back to boating. I invite the Minister to provide the precise figures.

What is the quantum of money that is reinvested in boating from boating registration fees? I understand that most of it goes into policing boating activities. One might say, at first glance, that that is not an unreasonable idea, but there should be some modification, if that is the case, for two reasons: firstly, that is not what happens with motor cars, where other funds are used for policing purposes. Roads do not depend purely on the money collected from registration fees.

In its covering letter to the Minister, the council states:

> The State Boating Council recommends that the State government increase the level of funding to improve boating facilities and boating safety.

My challenge to the government is to consider that carefully and to realise that if the government does that it will not be a question of handing out money, funds will more than flow back to the State through increased economic activity.

The electorate of Dromana is the living proof of that statement. It is the largest single electorate in Victoria in terms of tourism allied to water, to beaches and to boating.

There are probably more beaches and more boats launched in my electorate than in any other electorate in Victoria. I assure the Minister that I frequently receive complaints from boat owners who say, "Why should I come here and spend 2 hours on a summer's day getting my boat into the water and risking personal injury and then 2 hours at the end of the day waiting to get my boat out of the water? Why should I not go somewhere else?" There are many reasons why we should encourage boat owners to use the facilities in that area.

Secondly, if we adopt that attitude, we are killing off one of our best tourist and recreational industries and denying people one of the desirable forms of recreation that does so much for them. The government should consider how it might efficiently use its money.

In my electorate, the cost of repairing boat ramps would not be high, although there is not one decent boat ramp in the electorate. It is not a question only of recreation; it is also a question of safety.

Earlier the honourable member for Gippsland West spoke about the State Emergency Service. I shall refer to the Australian Volunteer Coast Guard Association, which has a flotilla at Safety Beach, Dromana. Members of the association cannot get their boats into the water during stormy weather. The ramps are inadequate and if there is a storm the volunteers cannot launch their boats. They have to go elsewhere, which takes time, and during that time people can drown. If they get the boats into the water during a storm they often cannot get them out and have to go to some other facility.

When it is looking at the safety of human life and an almost non-cost volunteer service, surely it is good business for the government to ensure that that volunteer service can operate. People in my electorate volunteer in a number of fields, but they usually pick one volunteer activity and make that their basic activity, which takes up most of their spare time. That is the case with the Australian Volunteer Coast Guard Association; it is a labour of love rather than an occupation.

A few dollars put into fixing the ramp and the provision of a breakwater so that they can launch their boats during stormy weather would be a good investment. I pay tribute to the coast guard flotilla at Safety Beach, which has operated year in and year out. They are a great bunch of men backed up by their women in various ways. They have acquired a new craft over the past year, but have minute headquarters. If they wish to have a meeting or to train youngsters in boat safety, they have to pull the boats out of the boat shed to conduct that course. Their priority, before their club house facilities are updated, is to obtain safe facilities so that they can get their boats in and out of the water. They do a good job and do it virtually at no charge to the State.

The erosion of beaches around Port Phillip Bay, is a second factor that retards enjoyment and expansion of tourist facilities on the Mornington Peninsula. It is one of the greatest tourist areas in the State and, also, one of the greatest safety valves for the city of Melbourne with its 3 million people. Almost no money has been invested in those tourist facilities since I have been the member for Dromana. About $40 000 was spent on pumping sand, but nothing else has been done to the shoreline or beaches. We spend a few dollars from campers' fees for reforestation or on toilet blocks, yet the government makes great play about the economic development that is appropriate to each area in Victoria.

The government has talked a great deal about tourism and its effect on Port Phillip Bay, but it has not done much to back up its words. The government is coming to the end of its second term. It really cannot go on blaming previous governments, whoever they were, as it has had a long time and a big spending capacity. It has drawn much money from the area, one way or another.

Many people come into my electorate on day trips. They bring their own food with them and then use our facilities, in the form of showers and toilets. They go home and even buy their fuel outside the area. That is all right; we welcome them. However, we do have to service their needs. While the needs of tourists are willingly met, it is time that the people of the area were provided with some help.

Another problem in my electorate relates to there being no significant commerce or industry in the area. There is very little employment. That is why there is such high unemployment, especially among young people. If the government is serious about doing something about unemployment—and even though tourism does not provide year-round employment—it should use its resources to boost tourism in the area. The spin-off for relatively small numbers of dollars invested will be great indeed.

I refer to the physical safety of people who are out on the bay when storms blow up. The government might say that it supported the building of a marina at Sorrento and that I was one of the people who led the opposition to the building of that marina, which application was successfully defeated. I willingly acknowledge the facts; I would do it again tomorrow because I believe in the case I have defended. The beach at Sorrento is a great beach and there are too few beaches along the coast close to where people live. Any beach

close to metropolitan Melbourne must be protected. It was not appropriate to build a marina there, despite the great play that was made of the safety aspects of the marina.

The beach at Sorrento has been used by people from all over Victoria who have been coming there for 20, 30 or 40 years and it should not be taken away. It was inappropriate to locate a marina on that beach.

However, the need to provide some safe haven in the face of storms has not been removed. The Sorrento beach in its natural state offers some protection in the shape of the coastline if people can get to the beach during a storm. However, the proposed Sorrento marina was not attractive from the personal safety aspect because boats are usually blown further north. I reiterate that there is a need for a safe southern haven for boats caught in storms on the bay. That need is also present in the north; I leave that for the honourable member for Mornington to raise.

Marinas need not be put onto priceless sand. They can be built into a rock face or cut through a beach into dry land and cover a relatively small area of beach in their construction. There is a need for the government to creatively address itself to the question of the construction of marinas in the southern Port Phillip Bay area for equity, tourism and economic reasons as well as for reasons of personal safety.

The latest government proposals do not address this issue. The most southerly point along Port Phillip Bay which is mentioned in the government's latest recommendations is Mornington. I reiterate that that proposal will not suffice; there is a need to provide a haven further south and west of Mornington.

There are locations which would be acceptable to the people in the area. There are rock faces and there is at least one inland area which might be developed with just an outlet to the sea. It is in the Safety Beach area where there is an outlet from a stream. The matter must be considered. I do not suggest the government spend money on the project. Private enterprise could make the system work if the government would consider it and provide controls and promotion and organise the appropriate legislation.

I commend the government for addressing the question of the rapidly expanding boating industry in Victoria. It has been in need of further attention. On a number of occasions I have asked in the House for matters such as boat ramps to be attended to. The State Boating Council has made similar recommendations. I know some members of that council. They are people of immense experience who have given their lives to pursuing the activities which have caused them to become representatives and members of the council.

I reiterate that the required facilities will not involve huge sums of money. There is money coming in from registration and mooring fees. The government should give an undertaking that it will put every dollar back into constructing facilities and will address itself to providing facilities on a priority basis. Again, I emphasise that people have been injured in my electorate when using the boating ramps. Those facilities should be repaired quickly. Aspects of education might be placed further down the priority list until those basic facilities are right.

It is not just a matter which relates to tourists. I repeat that the people in my electorate welcome tourists. However, I receive complaints from people who live in the area and pay their rates. They say, "We cannot even get our boat into the water because of tourists".

I appeal to the government to consider the physical facilities and to put the money derived back into providing adequate facilities. The funds should not go to Treasury and other areas. The boating industry must receive a boost. It would then become a self-replicating cycle with more economic activity; more fees will provide better facilities, and so it will continue.

The alternative is quite clear: if the government pockets the cash, as it has done in recent years, the slight decline in tourism on the Mornington Peninsula will turn into a self-perpetuating cycle and it will take more time to remedy the problem.

The government should get the administration right and use its creative capacity to do the job for the sake of all concerned with boating and for the future of Victoria.

Mr STIRLING (Williamstown)—The Marine Bill will repeal a number of Acts under which the State has worked for many years, in particular the Marine Act 1958 which was an important Act at the time it was promulgated. Other marine Acts have been important because, in previous years, the bulk of trade in Victoria was intrastate trade and was conducted by shipping lines. A large number of vessels plied their trade from the Western District around to Gippsland and all the harbours along the shores of Victoria.

In my time in this place there have been many amending Bills to the Marine Act. Most of those Bills have reflected a transition from the old days, the old rules of the sea and so forth, to modern navigation and shipping. As shipping improved and increased in size, a body which has existed for 120 years in Williamstown, and even before that at Queenscliff, has played an important role—I refer to the Port Phillip Sea Pilot Service. For the past twenty years, when amendments have been made to marine Acts, I have spoken in the debates. I spoke as the Opposition spokesman on marine matters. Most of the matters debated were of concern to the Port Phillip Sea Pilot Service and they were matters of importance.

In general, pilots have little argument with the Bill except that, as it incorporates the Motor Boating Act and a number of other Acts, small boats will have the use of channels in Port Phillip Bay, especially the southern and western channels. Accidents have happened in the past. It is difficult for a pilot who is restricted to a reduced speed in those channels to dodge small craft that may be fishing in the waters.

People with small craft know that it is illegal for them to enter these channels. However, they have done so in the past and no doubt they will continue to do so in the future.

The honourable member for Gippsland East raised the issue of discerning lights. He mentioned that red was for port and green was for starboard. That is an international code that has been in existence for many years. Many poems have been written about the sea and I can think of three that relate to navigational lights. One such poem is:

If both lights you see ahead,
starboard wheel and show your red.

If to your starboard red appear,
It is your duty to keep clear.

To do what judgment says is proper,
Port or starboard astern or stop her.

Green to green—red to red,
Perfect safety—go ahead.

Poems such as this have passed down in history over the years and the rule of the road has been learnt in that way.

The Bill will consolidate a number of Acts that should have been under the one umbrella many years ago, and I commend the Bill to the House.

Mr COOPER (Mornington)—I welcome the opportunity of speaking on the Bill because the electorate of Mornington encompasses a reasonable amount of coastline in Port Phillip Bay and an even larger amount of coastline in Western Port. The Bill impinges not only on people who live in the electorate I represent but also on the many visitors to that area who are interested in the water facilities that both these bays close to the city of Melbourne offer in recreational and sporting activities.

It is extraordinary that the government proposes in this Bill that registration fees would be chargeable on all manner of craft including sailboats, sailboards, canoes and rowboats.

My colleague, the honourable member for Gippsland West, has made it clear that the Opposition will be vigorously opposing that provision. The Opposition will support the exemption that currently exists for those recreational craft.

It is obvious that the government is once again demonstrating its desire to raise revenue from every possible source, even down to small craft like canoes and rowboats. Most of that type of craft are owned and operated by teenagers and even younger children who would be required to put their hands in their pockets, not simply to purchase the craft, maintain and sail it and experience the exciting and wonderful recreational outlet sailing gives them, but also to fork out money so the government can bail its way out of its enormous financial problems.

The Minister interjected earlier in the debate that the money obtained would be dedicated for certain purposes. This is a revenue-raising measure under which the government, if it has its way, will collect an additional $6 million from registration fees and charges. I wonder how much of that amount will be lost to the growing bureaucracy that will be developed to police and maintain the laws created by the Bill.

It is all very well to say that the fees and charges will be dedicated to the areas from which the fees are raised, and it would be wonderful if those fees and charges were used to provide services and update and increase facilities and safety for boat owners and marine users but, unfortunately, after many years of dealing with bureaucracies, I have become cynical and my cynicism extends to the dedication of this amount of money back into boating areas. I believe much of this money will go towards paying the salaries and travelling expenses of the bureaucrats and only a small proportion will go back into the area from which it was raised. My colleague, the honourable member for Gippsland West, has covered the matter fully and I support his remarks.

The issue on which I wish to concentrate is that of safety, especially on Port Phillip Bay, which is a matter of concern to the yachting fraternity. No safe anchorage on the eastern seaboard of Port Phillip Bay exists south of Sandringham. That situation has been amply demonstrated to the community at large and to boat owners on at least three occasions in recent years.

During a disastrous storm in March 1984, a large number of boats in the Mornington harbour were severely damaged—many were total write-offs. Many expensive and, in some cases, irreplaceable recreational craft and beautiful yachts were damaged in that storm and considerable damage was also done to the pier at Mornington. That storm was extremely well publicised and honourable members on all sides of politics, including those who do not have much to do with the sea or marine safety, agreed that, as a matter or urgency, better anchorage and safer harbours to which craft could run in the event of a storm needed to be provided on the southern part of the bay.

Much was said at that time, but, unfortunately, no action has been taken. The storm of March 1984 was followed by another in March 1985. Interestingly, the storm occurred on the day of the last State election. Therefore, 2 March 1985 was not only a political disaster for this State but also a disaster for the boating fraternity. It was the day the Labor government was re-elected to wreak another four years of disaster upon this State.

Mornington harbour was further damaged during the storm of March 1985. At that time, many statements were made by the government but, again, nothing happened. In October 1986 another storm forced two boats onto the beach at Mornington. One boat was a write-off and the other was salvageable. Having regard to the type of weather for which Port Phillip Bay is famous, it is obvious that the storms which have occurred since 1984 will be repeated during the winter months of 1988. However, the government has taken no action.

At the end of March 1984 following severe storm damage in the Mornington harbour, the then Assistant Minister for Transport, the honourable member for Niddrie, promised

quick action to increase protection in the harbour. The *Mornington Leader* of 23 April 1985 printed that statement and went on to say that:

> It is now April of 1985 and nothing has been done.

That report was carried in the *Mornington Leader* because during the storm of 1985 two 16-metre scallop boats were washed up on the beach. They had been pushed off their moorings at the Mornington pier and had gone through the fleet of yachts in the harbour. Fortunately they missed the yachts but ended up on the beach.

On the same day, the historic 82-year-old schooner, the *Alma Doepel* ran aground at Safety Beach. It had nowhere to run and the storm pushed the beautiful schooner onto the beach. Fortunately, it was able to be salvaged. Since 1984 there have been many reports about boat safety. A headline in the *Peninsula News* of 30 April 1985 states, "Potential Death Trap". The article states:

> If last week's storm in Mornington harbour had occurred on a fine holiday lives may have been lost, fears Mornington Yacht Club Commodore Ian Weldon.

He spoke about scallop boats running amuck. A headline in the *Peninsula News* of 17 September 1985 states, "Safe Harbour is the Demand", and the article that follows states:

> Transport Minister Tom Roper is examining plans submitted by Mornington Yacht Club for a safe harbour at Mornington.
>
> Yacht Club Commodore, Ian Weldon, had initial discussions with the Minister about five months ago, when Mr Roper told him he appreciated the need for repairs to the pier, but asked him for more specific plans.

The yacht club employed consulting engineers to draw up plans for the government to take action. Last year on 10 February, a headline of the *Independent News* stated, "Safe harbour bid for Mornington". The article refers to consultations between private developers and the Mornington Yacht Club about the establishment of a marina as an extension of the existing harbour facilities and the redevelopment of Mornington harbour.

The past three Ministers for Transport have agreed that something needs to be done. They made statements along those lines, as did an Assistant Minister for Transport. They promised urgent action, but nothing has been done. The government does not need to put its hand in its pocket; it simply needs to make a decision one way or the other. However, it cannot even do that and continues to walk away from the problem. Innumerable consultations, reviews and discussions have occurred and each of those is simply another excuse to put off the evil day of the government having to make a decision.

The disastrous storm of March 1984 should have prompted the government to take action. However, the only action the government was prompted to take was to look into the matter. It used the old mirror technique, which is well known to politicians, political parties and governments. Following the 1984 storm, there was a further disaster in 1985 and a minor disaster in 1986. On how many more occasions must yachts be damaged or sunk and people's recreational plans ruined?

Many yacht owners have saved all their lives to purchase their yachts and they are irretrievably lost as they can never be put back together. Some of the yachts are of designs that cannot be repeated. In the case of one yacht, the *King George*, which was sunk during the 1985 storm, the design was by Ben Lexcen and was a precursor to the yacht that successfully contested the America's Cup—*Australia II*. The *King George* could never be rebuilt and it sank in the harbour because of the government's inaction.

All the Mornington Yacht Club and the boat-owning fraternity in this State want is a decision from the government. The government is again reviewing the matter. Currently in the Mornington area requests for submissions are being circulated about whether the harbour facilities at Mornington need to be expanded and, if so, in what way. I do not know how many times the government needs to be told, but it appears that it must be told over and again. By the time the government gets around to doing anything, it will be out of government. At some stage during the next twelve months, and possibly earlier, a State election will be held and there is no shadow of doubt that the government will be defeated.

It will then be left to the new Liberal government to do something about this extremely important matter.

I can understand why the government does not want to do anything in Mornington because it believes that no electorates exist after the tram tracks finish, and it has demonstrated that time and again. However, one should have thought it might have sunk through the thick skulls of those who are supposed to be the engine-room of this government that some people who own yachts live in the metropolitan area and are looking for safe marina facilities in Port Phillip Bay.

There could be no better place for a marina than in the existing harbour facility at Mornington. Everyone who has a part to play in that scenario agrees with that view. The boating fraternity generally agrees with it; the Mornington Yacht Club agrees with it; and the Shire of Mornington, for a dozen years or so, has agreed with it and has issued statements as late as 19 January 1988 saying that it welcomes any move by the government to develop a safe harbour facility at Mornington; yet nothing is done.

The government has not acted and the property belonging to the yachting fraternity that uses the magnificent asset in Port Phillip Bay is put at risk. It is only a matter of time before lives are lost because there are no decent sheltering and harbouring facilities south of Sandringham on the eastern side of Port Phillip Bay. One of my reasons for speaking on the Bill is to implore the government to act. It has had plenty of time, and it is about time we saw action rather than heard rhetoric.

There is a demand and a need for this facility and the government should start doing something about providing it. I have probably said enough about this subject. I hope I have not left any stone unturned in my effort to express concern about this matter on behalf of my constituents and those who use Port Phillip Bay, especially the Mornington Peninsula, as a base for their boating activities.

I turn now to Western Port. Considerable concern has been expressed by the people who live around Western Port, especially in the Shire of Hastings, about the future development of the port and the use of port-related land. Much of the land available for port-related use is currently lying idle. Many people who own the land in small blocks are aware that effectively a blight has been placed on the use of that land because a review into its future use is being conducted by the Port of Melbourne Authority.

The review has been underway for at least three years, during which time no money has been allocated to the Department of Property and Services to buy that land for the government. The government has said that it will buy the land if the department is willing to deal with the sellers, but the department has received no money from the Department of Management and Budget. Three Ministries are involved: the Ministry of Transport through the Port of Melbourne Authority, which has placed a blight on the land; the Department of Property and Services, which is willing to purchase the land if it receives a direction and allocation from the Department of Management and Budget; and the Department of Management and Budget, which will not provide the money.

The upshot of the situation is that the individuals who have little money and who have owned the land for some time must continue to pay rates but they cannot develop their land or sell it because of the blight that has been placed on it. The land can be sold only to the government, but the government will not buy it because of the review that is being conducted.

I have an example of how this problem has affected one individual owner. An elderly woman who lives in Hawthorn owns a block of land in Crib Point. Her only brother is in England and he is dying of cancer. The solicitor acting for this lady wrote to me requesting assistance. The elderly woman wishes to go to England to look after her dying brother who has no other relative but her. She needs to sell the block of land as it is her only means of raising money. The dying brother has been given six months to live, so time is important.

As the government is the only possible purchaser, the lady is stuck with the block of land. Meanwhile, her brother is dying of cancer in England with no-one to care for him and she does not have money to travel to England. That is the most harrowing story of those brought to my attention, but many other instances indicate that something is drastically wrong in the operations of the Ministry of Transport and in the drawn-out review on the use of port-related land at Western Port. It is time the government got off its backside, wound up the review and provided the money so that people who are currently stuck on a hook can get off it and dispose of their land to the government.

I hope the Minister will pay attention to this matter and to the horrific example that I have just given. That is the kind of story that is symptomatic of this uncaring government which has done nothing about this problem in the past three years or more.

Mr Richardson—It is out of touch.

Mr COOPER—The government is uncaring and arrogant in adopting that standover tactic with poor elderly property owners in Western Port who happen to have the misfortune of owning blocks of land about which the government is trying to make up its mind. In the meantime these people can do nothing about their properties.

If this situation involved a private developer, it would not be allowed to continue. The government would adopt its typical hypocritical stance and claim that it is all for protecting the rights of people who are trampled on by greedy developers. I can almost hear the crows of honourable members on the back bench of the government who would not be interested in this particular matter. I note some of the crows are in the Chamber! That would be the sort of speech honourable members would hear if a private developer were involved; when the government is involved, it is different.

I have written to the Minister for Property and Services about this matter and suggested that it is high time the government acted to correct this problem. It is not as if the government has weeks in which to act. The brother of the lady whom I mentioned has been given only six months to live. The government should act urgently.

I shall turn now to the development of Western Port. I direct to the attention of the government the lack of consultation over the new use of the old BP refinery site, which is important port-related land in Western Port and which is sitting unused next to the best deepwater port in Australia. The government is playing its cards close to its chest on the future development of that site.

Last year the government produced a document that cited its intention for the land to be used for an ammonia and urea plant by an overseas consortium. The people interested in the development of that site are those who live at Crib Point. After the refinery was established many years ago, Crib Point was developed as a residential area and many aspects of it have now changed. There will not be many happy residents at Crib Point if the government continues to railroad through a development into which they have had no input with regard to amenity and environment control. I contacted the Minister for Industry, Technology and Resources about this matter and I implored him to involve the residents in consultation and to keep the Shire of Hastings, as the representative of those people, up to date.

The Minister has paid lip-service to the Shire of Hastings by having some members from his department meet with representatives from the shire, but they told them nothing. That is not good enough. The government has another think coming if it believes it can placate the people of Crib Point and the people south of Hastings with that type of performance. They are potentially an angry community, and the Minister must ensure that the Shire of Hastings is fully informed.

I understand the government's concern about discussing these matters with the council. I have said to the Minister that, if he believes confidentiality is involved, he should talk at least to the shire president and the chief executive officer of the municipality and keep them informed on a confidential basis. That is not the way this government operates, and

if it continues to ignore the feelings of the Shire of Hastings it will pay a heavy penalty in future years.

I plead with the government to give more consideration to the future of Western Port. It is one of the greatest assets of the State. It is the best deepwater port in Australia and has a tremendous future. Its development should not be left hanging on a peg waiting for the port of Melbourne to be either unusable or overdeveloped. The facilities that it can provide, particularly with the fast freight service between Tasmania and Victoria, should be considered. It would be a far more effective way of joining together commercially the States of Tasmania and Victoria than is achieved by using the facilities in Port Phillip Bay. A much faster freight service could be provided between the two States by using the facilities at Western Port. Western Port is a marvellous asset for Victoria and should be treated as such.

Mr W. D. McGRATH (Lowan)—The Marine Bill is a large and significant Bill. It repeals the Motor Boating Act 1961, the Nagivable Waters (Oil Pollution) Act 1960 and the Harbor Boards Act 1958. Many of the provisions of those Acts have been included in this Bill.

I support the comments made by the honourable member for Gippsland East who outlined the position of the National Party on the proposed legislation. The honourable member's knowledge of the marine industry and navigable waters and other matters relating to fishing, boating and port activities is the envy of other honourable members.

Part 4 deals with offences involving alcohol and other drugs. All honourable members realise the problems that occur on the State's roads when motorists or truck operators are involved in alcohol-related accidents. The same thing has occurred in the recreational boating area. Some recreational boat owners do not consider the implications of drinking alcohol and then using a speedboat, perhaps towing a skier, in a recreational area. Those people must show greater responsibility to safeguard the rights of other recreational boat users and to prevent accidents.

From that viewpoint I am pleased that the Bill provides a list of offences and penalties for people who flout the laws and will assist those enforcement officers who have the responsibility of policing recreational boating. The provision of those penalties should provide a safer recreational environment for boat users.

Proper safeguards and rules should be adhered to, whether one is a professional fisherman, an amateur fisherman, a canoeist, a rower or a water-skier. Appropriate action should and must be taken against those people who are less considerate of their fellow human beings, and the proposed legislation lays down penalties for people who breach the law.

Part 8 provides for the establishment of a new Marine Board of Victoria. The objectives, functions and powers of the board are set out. Clause 64 provides:

> The objectives of the Board are—
>
> (*a*) to facilitate the efficient and safe operation of vessels on State waters; and
>
> (*b*) to improve community awareness of boating safety; and
>
> (*c*) to improve and simplify registration and operating requirements for vessels on State waters.

My concern about clause 69 relates specifically to the "jobs for the boys" approach of the Labor government. The clause opens up another opportunity for a Labor government to provide jobs for its friends. Clause 69 states:

> (1) The Board consists of either 12 or 13 members appointed by the Governor in Council, of whom—
>
> (*a*) two are people nominated by the Minister;

That paragraph allows the Minister to appoint whomever he likes to the proposed board—

> (*b*) 7 are people who are, subject to sub-sections (3) and (4), nominated by the Minister after consideration of panels of names submitted in accordance with sub-section (2); and
>
> (*c*) one is elected in accordance with the regulations by licensed pilots; and

(*d*) one is nominated by the Minister as representing professional fishermen in the State; and

(*e*) one is nominated by the Minister as representing recreational boating in the State.

I ask the Minister to inform the House how the government proposes to nominate a representative of professional fishermen. Professional fishermen are a wide-ranging group. There are abalone fishermen, deepwater fishermen, inland fishermen and so on.

Clause 69 (1) (*e*) states that one member is nominated by the Minister as representing recreational boating in the State. Once again, there are many areas of recreational boating, and I ask the Minister to explain how the nomination will be made. Is there to be a panel of people proposed by the recreational boating group? How is the name of the person proposed to be submitted to the Minister? Will the Minister pull someone out whom he knows very well could be classified in that category so that once again it will be a situation of jobs for the boys?

Mr Brown—Labor Party hacks!

Mr W. D. McGRATH—Could it be that the person nominated will be a Labor Party hack who owns a speedboat or a recreational boat? Is that the procedure to be adopted? I should like an explanation from the Minister. Unless that is forthcoming, while the Bill is between here and another place, the National Party will have to consider amendments to come up with a precise definition of a person who would be seen as impartial in representing recreational boating interests and professional fishing interests.

Subclause (1) (*a*) provides that two people are to be nominated by the Minister. Will the Minister explain how those appointments will come about, so that the National Party can feel more relaxed about supporting clause 69? If the National Party were convinced there were sound reasons for the making of appointments to the board, it would agree to the clause.

The board will have a large degree of responsibility and must put into place the functions and objectives of the Bill. It will not be an easy task. The National Party does not want to see, as the honourable member for Gippsland West interjected, Labor Party hacks appointed to the new board. A proper explanation from the Minister about how the members of the new board are to be appointed would be gratefully received by the National Party.

Clause 69 (2) states that each of the following bodies may submit to the Minister a panel of three names:

(*a*) the State Chamber of Commerce and Industry (Victoria);

(*b*) the Australian National Maritime Association;

(*c*) the Australian Chamber of Shipping;

(*d*) the Merchant Service Guild of Australia;

(*e*) the Australian Institute of Marine and Power Engineers;

(*f*) the Seaman's Union of Australia; and

(*g*) the Insurance Council of Australia Ltd.

Subclause (3) states:

If a body fails to submit a panel of 3 names on or before the date specified by the Minister when requesting a panel, the Governor in Council may appoint as a member of the Board a person nominated by the Minister.

I do not think any of those seven bodies mentioned above would miss the opportunity of submitting a panel of names. I am sure they will all take the opportunity of presenting nominations for the Minister's consideration.

Clause 109 deals with the fee for boating facilities and safety education. Subclause (1) states:

The Board may, if the Minister approves after consultation with the Treasurer, fix a fee to be imposed—

(*a*) for the provision and maintenance of boating facilities and services; and

(*b*) for the conduct of boating safety, boating education and boating promotion programs.

Many representations have been received by all political parties during the past three or four months, I dare say, and particularly by the National Party, because the boating and shipping industries are concerned about the possibilities opened up by this clause in connection with the imposition of fees, particularly with respect to recreational boating.

I recall speaking to a person whom I know in the boating industry in Bairnsdale who said that he could have to pay $500 or $600 for the privilege of mooring a recreational boat. Once again, I should appeciate an outline from the Minister as to how the fees are to be arrived at. Will the Minsiter provide an indication of the fee structure proposed? This will alleviate some of the concerns of the National Party towards the proposed legislation.

I refer now to proposed new Part VA concerning the financial provisions in relation to associated ports. Proposed new section 98B (1) provides that, with respect to budgets for each associated port:

Before any date that may be fixed by the Minister, the Authority must submit to the Minister an operating budget and a capital works budget for the next financial year in relation to each associated port.

One must consider how this provision relates to the annual reporting provisions for other associated ports. Because they are statutory authorities, the associated ports would need to submit annual reports to the Minister. Is unnecessary duplication being caused, bearing in mind that those ports would come under the umbrella of the port of Portland, Geelong or, indeed, Melbourne? It is important that the shipping industry has a good working Act.

Over a long period, the port of Portland has been hamstrung. This has probably occurred since the port was initially seen as having potential for exporting and importing commodities—for the past 50 years or even longer. Now the port is, in a sense, coming of age, with the operations of the aluminium smelter. This has created import and export activity in the port and, during the past ten years, shipping in that port has gained momentum. The Grain Elevators Board and the Australian Wheat Board have channelled more grain through the port, and the products of woodchipping activities in the south-eastern area of South Australia are now exported from Portland. Those activities are influential in maintaining the viability of the port of Portland and ensuring its future growth.

It was rather disappointing to me that the National Road Strategy of Victoria, also known as NATROV, released a report three or four months ago, indicating an upgrading of roads in the Melbourne metropolitan area, Geelong and the Latrobe Valley, to service the ports of Melbourne and Geelong, but with no preference given to the port of Portland. Therefore, that road network leading into the port of Portland in an easterly direction to Melbourne was not included in the NATROV plan.

If a port is to succeed and if it is to improve in its performance and bring about greater development and a greater amount of shipping through it, it needs the inland transport systems to link up and for those inland transport systems to be sound, reliable and of equal status to those serving the other ports around Victoria.

The National Party will support the Marine Bill, but some explanations are needed, particularly in relation to the membership of the Marine Board of Victoria. The National Party would also like some explanations from the Minister concerning the fees that will be structured for the boating industry and the fishing industry.

If these explanations are satisfactory, the National Party will support the Bill but, if they are not, the National Party will have to consider introducing amendments. Overall, however, the Marine Bill is important to all water-related activities within Victoria, whether they relate to commercial shipping, commercial fishing or recreation and boating. The Bill will influence many people when it is put into effect and that is why we, as legislators, must ensure that it is a right and proper measure.

Mr WEIDEMAN (Frankston South)—I support my colleagues, the honourable members for Gippsland West, Dromana and Mornington, in their references to marinas and the need for safe harbours and refuges on Port Phillip Bay, particularly on the eastern and western sides.

The government has now reinforced the priorities of the people in the areas of Frankston, Werribee, Mornington, Drysdale, Clifton Springs, Geelong and Sorrento and has made these areas where marinas can be developed.

The honourable member for Lowan raised the issue of alcohol and its relationship with boating and those who have been in charge of boats will know the dangers of driving a boat while under the influence of alcohol. On the roads, speed and alcohol do not mix and when one adds the factor of water and immersion in water the results can be deadly. Statistics have been documented by the government pathologist which show that people who enter water, particularly sea water, after having consumed alcohol may start vomiting due mainly to the change in temperature, and this causes them to choke and die.

Within Victoria there are approximately 28 Royal Life Saving Society of Victoria clubs. These clubs use small rubber duckie boats which require fairly powerful outboard motors for patrols, usually in flagged areas on beaches.

Through the regulations of the various lifesaving clubs, young people are taught to drive these craft and they are given certificates for that purpose which, I understand, have been recognised by the police. However, there is some difficulty when police patrols are out and minors and juniors are driving boats. On occasion, they are out of their patrol areas and it would therefore seem appropriate—and I know the various lifesaving clubs have made submissions to the government—to allow the police to sensibly enforce various regulations if these young chaps are making hoons of themselves. In that case, the police should be given powers to ask for names and addresses so that appropriate action can be taken; but where they are used sensibly and for the function of patrolling beach areas, particularly in Frankston and Seaford, they are performing a very useful function.

At a recent opening of the Seaford Surf Lifesaving Club, a rubber duckie was being used which had been provided by radio station 3MP. That club, which patrols the area of Seaford, raised with me the problem that it sees created within the Marine Bill for the use of rubber duckies and, although I have raised the matter with the Minister, as usual I have had no response. I raise the matter again here. These groups are giving a voluntary service to the community. These people require registration of their drivers and boats and, possibly, exemptions from certain regulations when it comes to rescue procedures.

One exception that springs to mind concerns the wearing of vests. When going out into the surf or into Port Phillip Bay on a surfboard to rescue someone or when swimming out to rescue someone, it is difficult to wear a regulation vest and often, when one is on a small craft or on surf skis or similar vessels mentioned in the Bill, it is difficult to conform to the provisions provided for those vessels in the Bill.

One of the regulations that has caused difficulty for surfers and young people concerns retro-reflective tape. It is now necessary to wear an approved vest with six portions of retro-reflective tape attached to it and all boat owners must have these. I raised this matter with the Minister last year and I now understand that it became law on 1 December.

During the boating season, I have not seen reference to the new law in the press. At the time of its introduction, it was mentioned to me that the retro-reflective tape, being made by 3M Australia Pty Ltd, was of excellent quality and was able to be seen at least half a mile away while out on the water but the problem lies in attaching the tape to vests or equipment used by surfers or sailors. It has to be stuck on to the vest and there is no known type of adhesive attachment available to accomplish this feat. For some time now, however, I understand that the manufacturers of vests have been stitching it on to the actual garment, which may overcome the problem.

The sitting was suspended at 6.30 *p.m. until* 8.5 *p.m.*

Mr JASPER (Murray Valley)—I support the comments that have been made by the National Party. Although the Bill is important for all Victoria, I shall refer particularly to the implications the Bill has for the people who use the waterways within my electorate.

The importance of inland waterways to the boating public of Victoria cannot be overestimated. There has been a large increase in the use of those waterways for a variety of activities such as swimming, fishing and boating, particularly activities relating to the use of speedboats.

In considering the title of the Bill—the Marine Bill—I wonder whether it will have the desired effect of controlling the use of waterways in country Victoria. So long as the government is aware of the importance of waterways in country areas, the Bill may be effective, but it must provide for the proper exercise of authority over all boating activities, not only boating activities along the coast of Victoria but also throughout the State.

The Minister for Community Services will be aware that when he was the Minister for Police and Emergency Services I made extensive representations to him over a number of years seeking changes to the legislation that would provide for appropriate controls over the operation of speedboats on Victorian waterways.

The Minister will recall that he visited my electorate of Murray Valley three years ago to open a police station at Yarrawonga. At that time I took the opportunity to explain the particular problems with speedboating activities at the junction of the Ovens and Murray rivers.

Honourable members should be aware that speedboats are required to be registered in both Victoria and New South Wales, but the people who use speedboats are required to be licensed only in New South Wales. Victorians who use the River Murray for their boating activities are required to be licensed; yet they do not need a licence to operate their speedboats on the Ovens River. Victorians can operate their speedboats on the Ovens River without licences; yet when they journey down to the River Murray they find that they are required to be licensed as speedboat operators in New South Wales. That is a ridiculous situation.

The response of the then Minister for Police and Emergency Services was that there would be an investigation by the State Boating Council, together with the Ministry of Transport—which subsequently took over the investigation—to determine the incidence of accidents in Victoria and whether a licence system should be introduced.

The Minister said that because of the lack of strong representations, together with a comparatively low rate of accidents on the waterways, he was not convinced that the government should introduce a system of registration for speedboat drivers. That concerned me very much. Not only is there a high incidence of accidents on waterways within Victoria, but also there is an increasing number of people in speedboats using the waterways.

There is a higher incidence of unruly behaviour associated with that increase, and there is a high incidence of alcohol consumption by speedboat drivers. Also, the police do not have the appropriate powers to enable them to intervene and control the unruly behaviour that is taking place on Victorian waterways.

I have pressed the government on this issue over a number of years because there needs to be not only registration of speedboats, but also a licensing system for speedboat drivers so that the government can impose control on speedboat drivers to ensure that, before they secure a licence, they meet the appropriate educational level and are examined and tested to prove they they understand boating and are able to operate on the waterways with safety, exercising proper care. It is disappointing that the Bill does not address that issue.

I hope the Minister for Community Services is cognisant of the fact that further investigation is needed in this area and that Victoria must cooperate with New South Wales in order to introduce an appropriate licensing system in Victoria to overcome a

major border anomaly. People from electorates in the southern part of the State should visit northern areas to understand the difficulties experienced in places such as the Murray Valley electorate where the northern boundary is the River Murray.

The proposed legislation is the result of extensive investigation by the government. It has received representations and reports from various organisations, municipalities and individuals across the State. Victoria needs legislation that will address not only the use of waters in the southern part of Victoria but also the waterways across the whole State. The Bill does not go far enough.

The other issue I shall address relates to the control of specific waterways, particularly Lake Moodemere within the Shire of Rutherglen, where a problem has been developing over a number of years. The Rural Water Commission, which had control over the lake, carried out extensive work over a period of years in formulating regulations, only to find that, once there was agreement from the shire, individuals and organisations within the municipality, the regulations would not be accepted on the basis that the Rural Water Commission no longer had control over the waterway on that Crown land; apparently, it will now be under the control of the Marine Board of Victoria. Action must be taken on that issue as soon as possible; otherwise a catastrophe of major proportions may occur as a result of accidents in which people will not only be maimed but also will possibly be killed through the extensive and uncontrolled use of speedboats on that waterway.

Lake Moodemere should be returned to use for passive recreation, but there is considerable pressure to maintain the use of speedboats on the waterway. The lake has been used for rowing for more than 100 years. The Rutherglen-Lake Rowing Club operates on Lake Moodemere and the 121st annual regatta was held on 1 January 1988. The club is the oldest regatta association in Australia and possibly one of the oldest regatta associations in the world. However, it is having extreme difficulty operating on the lake because appropriate controls are not exercised to allow people to row, and to provide a limited and controlled capacity for speedboats at other times when rowers do not wish to use the waterway. Action must be taken forthwith so that the new Marine Board of Victoria recognises its responsibilities not only in the southern part of the State but also right across the State. Appropriate controls should be introduced for Lake Moodemere so that those who wish to undertake passive recreation can do so and so that rowing can be conducted in conjunction with limited usage of speedboats under controlled situations.

The National Party supports the Bill. I look forward to a response from the Minister on the specific issues I have raised. The National Party seeks licensing of speedboat drivers and controls of waterways so that people can use them for fishing and small-powered outboard motoring, and Victoria needs to develop joint controls with New South Wales over waters in border areas for the development of the State and for the benefit of Victorians and tourists.

Mr McNAMARA (Benalla)—I support my colleagues, the honourable members for Gippsland East and Murray Valley. The Bill seeks to rewrite the Marine Act and introduces a number of reforms that have been called for by the Shire of Goulburn and other groups. As a member of that shire for nine years and its delegate to the Municipal Association of Victoria for seven years, I am aware of its desire to improve boating safety in Victoria. As a result of that concern I put forward a resolution to the MAV congress, which still stands as MAV policy, supporting the introduction of a licensing system for operators of boats in this State, speed restrictions and testing for drivers with a blood alcohol level exceeding ·05. It is ridiculous that Victoria has had none of those restrictions.

The Shire of Goulburn, in cooperation with the Victoria Police Force and the State Boating Council, instituted an initiative that could be followed by other municipalities. The shire purchased a speedboat for policing waterways around Lake Nagambie and the Goulburn River and lent the boat to the police for rescue work and other duties. The cooperation between local police and the shire has ensured increased awareness of proper controls and safer handling of boats. Unfortunately, that initiative has not been given any direct government assistance. It is solely funded by the ratepayers of the Shire of Goulburn.

As a result, the shire has become more acutely aware of the need for reforms, particularly on inland waters, as the lack of those controls affects the Shire of Goulburn more than any other municipality in Victoria. It is interesting to note that half of Victoria's recreational activities with boats is on inland waters.

I hope the reforms introduced in the Bill will be a first step towards the reforms being sought and that the government will seriously consider licensing operators to bring Victoria closer to the system operating in New Zealand. I am not suggesting that operators of small fishing dinghies will require licences; the reforms should be directed towards the criteria in New Zealand, which are based on the horsepower of the boat. The government should look in that direction in the immediate future.

Mr MATHEWS (Minister for Community Services)—I thank the honourable Deputy Leader of the Opposition and the honourable members for Gippsland East, Benalla, Murray Valley, Dromana, Frankston South and Lowan for their constructive and generally informative contributions to the debate. A couple of substantive points that have been raised in the debate require a word of comment. I give the honourable members for Gippsland East, Murray Valley and Benalla an assurance that the government has, in no way, set its face against licensing of boat operators; it is a matter the government keeps constantly under review.

It remains the opinion of the people who advise the government on these matters that the available data and statistics would not justify the introduction of the licensing system for both operators. However, if at any stage in the future a different statistical picture or a different pattern emerges certainly the idea of licensing of operators will be taken up again.

I might say to the three honourable members that the Bill before the House represents a significant step towards diminishing the necessity for the licensing of boat operators in the measures dealing with blood alcohol levels of people dealing with boats, which provision the Bill incorporates. If one can single out any factor which is more responsible than anything else for boat accidents and boating fatalities, on both inland and coastal waters, it has been overindulgence in alcohol. That fact is solidly borne out by analyses of the blood alcohol contents of boating accident victims conducted from time to time by competent authorities.

The measures of blood alcohol content which the Bill introduces for the first time will be very much the subject of critical evaluation over the months ahead. If a further strengthening of them turns out to be necessary the government will be happy to face up to the carriage of that responsibility at the appropriate time.

The Deputy Leader of the Opposition voiced his concern about the inadequacy of facilities for the boating community and for tourists around Victoria, with special reference to launching ramps, but at the same time expressed his concern about the level of charges which might be imposed under the Bill, and also about any possible extension in the scope of the Bill to bring additional categories of boat owners and operators within the compass of the proposed legislation. That represents a difficult circle to square for any government and, indeed, for any Opposition spokesman.

I say simply to the honourable member for Gippsland West that the practice followed in Victoria throughout the lifetime of the government and during the lifetime of the government of which he was a supporter was for an amount equal to that raised in revenue from boating activities to be devoted to boating facilities, boating safety and the like. I give him the assurance he sought in the debate, that that practice will be continued under the new legislation. He may recall that in the second-reading speech projects were singled out by way of example, including the upgrading of the launching ramp at Laanecoorie on the Loddon River, the improvement of ramp facilities at the Bonnie Doon Bridge at Eildon, an extension of the launching ramp and improved access to Lake Mokoan, and various treatments at metropolitan boating facilities. These include the improvement of facilities at Sunnyside Beach, Hastings, Frankston and Mount Martha, and improved access to the Patterson River. Those were the sorts of projects the honourable member

had in mind when he spoke about the importance of boating revenue being devoted to boating purposes. The government strongly shares that view.

The honourable member for Lowan asked two specific questions. He was unkind enough to suggest that the provisions of the Bill might be misused in order to provide what he described as jobs for the boys. That is a matter of which the honourable member has had wide experience in his time, and by way of example I refer to bodies such as the boards of the Port of Melbourne Authority, the Port of Geelong Authority and the Port of Portland Authority, all of which in recent times have been the subject of appointments which argue against the theory that he was putting to the House of jobs for the boys.

The honourable member for Lowan asked on what basis appointments to the board would represent professional fishermen and recreational boat owners. It would be the intention of the government to consult widely and thoroughly with the various organisations that represent professional fishermen in Victoria, with the aim of proposing an appointment to the board acceptable in all quarters.

Where the issue of a representative of recreational boat owners and operators arises, the government will have the State Boating Council in operation; I suspect it should be appropriate for the representation of boating recreational interests to be nominated through the good offices of the State Boating Council.

The Deputy Leader of the Opposition raised the possibility of the provision of security entrances to wharves and jetties where professional fishermen moor their vessels, and also referred to the need for improved water pressure for firefighting appliances associated with those facilities. I shall draw both those points specifically to the attention of the Minister for Transport so that an explanation can be made of their facilities and where they might fit into overall priorities pursuant to the Bill.

I was surprised at the honourable member for Dromana speaking of the matter of priorities; he tended to downgrade on his priority list the issue of appropriate safety education for boat owners and operators because some other members of the House surely would have considered that was in very pressing need of attention.

The Deputy Leader of the Opposition touched on the matter of search and rescue vessels, and the fact that it would be appropriate for such vessels to be exempt from charges. The government agrees with the point of view expressed on that and will be happy to facilitate an amendment to that effect, if not in the running in this House, then while the Bill is between Houses, so that it can be picked up elsewhere.

I think I have covered the principal matters raised in the course of the debate. No doubt honourable members opposite and on the corner benches may wish to return to them in the course of the Committee stage.

The motion was agreed to.

The Bill was read a second time and committed.

Clauses 1 to 6 were agreed to.

Clause 7

Mr BROWN (Gippsland West)—I invite honourable members to vote against this clause.

Mr MATHEWS (Minister for Community Services)—I suspect that opposition to this clause arises from a misapprehension. In opposing the clause, the Opposition wishes to clear the way for the introduction of a new clause which is set out on page 2 of the proposed amendments circulated in the name of the honourable member for Gippsland West. The contingent new clause in its turn preserves the status quo of the Motor Boating Act in its current form. The Marine Bill is intended to cover what was formerly in the Marine Act 1958 and the Motor Boating Act 1961, so if the amendment is adopted it

would mean that the new Marine Board of Victoria would have no control over yachts. In particular, the ability to register unseaworthy yachts would be removed.

It is not intended that clause 7 will be used to impose a fee but rather to cover registration in matters like seaworthiness. The government will vote for the retention of the clause but is happy to engage in discussion while the Bill is between here and another place to clarify any points remaining in the minds of members of the Opposition.

Mr BROWN (Gippsland West)—I accept what the Minister has said and welcome the opportunity of having discussions while the Bill is between here and another place.

The clause was agreed to, as were clauses 8 and 9.

Clause 10

Mr BROWN (Gippsland West)—I move:

2. Clause 10, after line 15, insert—

"(3) Regulations made under this Act must not require the payment of any fees, rates or charges in respect of the registration of a vessel that is used or intended to be used primarily for search and rescue purposes and is owned by an organisation approved by the Road Traffic Authority for the purposes of this sub-section.".

With pleasure, I note the undertaking given by the Minister that the government is prepared to accept the amendment, and as such I shall not canvass the points I made in the debate. The Opposition unreservedly wanted voluntary craft used for emergency services to be exempt from payment of fees. The Opposition has no objection to a registration number being clearly affixed to a vessel so that it can be identified. I am delighted the government has taken the stance it has and that it will support the amendment.

Mr MATHEWS (Minister for Community Services)—A significant amount of good and indispensable work is done around Victorian waterways by voluntary organisations which need to own or have access to vessels for that purpose. The government totally shares the objective of the Opposition in moving this amendment. On behalf of the government, I accept the amendment.

The amendment was agreed to, and the clause, as amended, was adopted, as were clauses 11 to 16.

Clause 17

Mr MATHEWS (Minister for Community Services)—I move:

1. Clause 17, after line 35 insert—

"Penalty: For a first offence, 2 penalty units.

For a subsequent offence, 4 penalty units.".

The amendment simply inserts the appropriate penalty arrangement.

The amendment was agreed to, and the clause, as amended, was adopted, as were clauses 18 to 68.

Clause 69

Mr BROWN (Gippsland West)—At this stage I want to make something very clear to the Committee and to the government. There is no shadow of doubt that late this year or early next year I shall be the Minister for Transport. I also make clear that I will not tolerate party hacks representing the Australian Labor Party being appointed to boards. I take issue with what the Minister said in the second-reading debate when he referred to the boards of the Port of Melbourne Authority, the Port of Geelong Authority and the Port of Portland Authority. Rural Victorians, in particular, express strong displeasure about an appointee to represent rural interests on the Port of Portland Authority who unreservedly and unquestionably they say in public is a Labor Party appointee. They say he is there because of his affiliation and liaison with the Labor Party more so than his

knowledge and support of the rural industry. That situation is unacceptable to the Liberal Opposition.

When I am Minister responsible for the Metropolitan Transit Authority and the State Transport Authority, I will ensure that the Labor Party will no longer have party hacks appointed only because of their allegiance. I am aware of a woman from Berwick and another one from my own town of Wonthaggi who are on boards not because of their expertise in transport but because of their allegiance to and affiliation with the Labor government. It is unacceptable for such persons to be appointed. It was formerly known as jobs for the boys but now has been widened by the Labor Party to include jobs for the girls. It is intolerable that these people should be paid in excess of $6000 a year for their duties.

Mr Fordham interjected.

Mr BROWN—I advise the Minister for Industry, Technology and Resources that I am referring to clause 69 and to the method that the government has used to appoint party hacks as members of boards. That position is intolerable and the next Liberal government will reverse that action. I point out to the Committee that board members of the Metropolitan Transit Authority and the State Transport Authority have free travel anywhere in Australia. If these people are competent, as are most members of boards, the Opposition has no argument.

Recently the government appointed a person as Chairman of the Port of Melbourne Authority. To the government's credit, he is no Labor Party hack. He was chosen because of his known abilities and he will be an excellent chairman. The Opposition has confidence in him. I am aware of the National Party's confidence in that gentleman, and the government obviously has confidence in him because he is its appointment. That gentleman is an example of the type of people who should be appointed to boards. With considerable reluctance, the Opposition agrees with the composition of the new Marine Board of Victoria. I know sufficient members of the board at present and have known enough in the past to say that they have done an excellent job and are credible appointees. I advise the government—and I place this clearly on record—that it should not appoint party hacks to boards. The government should appoint people for their competence and expertise and not their allegiance.

The CHAIRMAN (Mr Fogarty)—Order! I ask the honourable member for Gippsland West to please address the Chair.

Mr BROWN—Certainly, Mr Chairman, through you to the government I say: be careful in choosing appointees to the new Marine Board of Victoria because it is an important board and has a significant role to play in carrying out its activities. It should choose people with recognised expertise which stands up credibly in the public eye. If the government does appoint party hacks, those people will have limited tenure because they will be removed by the incoming Liberal government. The Opposition wants people chosen to those boards to have recognised expertise in marine operations.

When the Liberal Party is returned to office late this year or early next year—and there is no doubt that it will be—it will appoint persons to various boards on the basis not of allegiance to the Liberal Party but because they will do the best job for Victorians.

The clause was agreed to, as were clauses 70 to 104.

Clause 105

Mr MATHEWS (Minister for Community Services)—I move:

2. Clause 105, page 60, line 24, omit "Authority" and insert "Board".

The amendment was agreed to.

Mr MATHEWS (Minister for Community Services)—I move:

3. Clause 105, page 60, after line 27 insert—

"(5) Sub-sections (3) (*c*) (ii) and (4) do not apply to the Uniform Shipping Laws Code.".

The amendment clarifies the relationship of the subsection to the Uniform Shipping Laws Code.

The amendment was agreed to, and the clause, as amended, was adopted, as were clauses 106 and 107.

Clause 108

Mr BROWN (Gippsland West)—I move:

3. Clause 108, lines 11 and 12, omit "Board may, if the Minister approves after consultation with the Treasurer" and insert "Governor in Council may, by regulation".

As it requires on all Bills now, the Opposition wants normal disallowance provisions to apply. Clause 108, as it now stands, provides that the board may, if the Minister approves after consultation with the Treasurer, fix the fees, rates or charges to be imposed.

Almost invariably the State Opposition would not take issue with fees, rates or charges being imposed by the government of the day, subject, of course, to undertakings that have been given, such as the present undertaking that such increases should not exceed 6 per cent. If the government wished to exceed that level, under the current proposal in the Bill, it could do so unhindered. Under the amendment that I have moved, it will be subject to disallowance provisions: in other words, if necessary, Parliament can be the final arbiter by moving for disallowance. That is my reason for moving the amendment.

Mr B. J. EVANS (Gippsland East)—The National Party supports the amendment. It believed one of the major shortcomings of the Bill was the fact that it gave virtually a blank cheque to the Marine Board of Victoria to set fees and charges. That is not an appropriate way to proceed. The National Party supports the contention of the Deputy Leader of the Opposition that, ultimately, these matters ought to be subject to the decision of Parliament, if it chooses to take the step of disallowing regulations. The National Party supports the amendment, which is designed to achieve that objective.

Mr MATHEWS (Minister for Community Services)—The government believes, on reflection, that members of the opposition parties may appreciate the commercial considerations and the need for commercial flexibility that prompted the State Boating Council to recommend the arrangements that are set out in the clauses of the Bill.

The government is happy to have further discussion with members of the Opposition and the National Party while the Bill is between here and another place, but at this stage it chooses to have the clauses retained in their present form.

Mr BROWN (Gippsland West)—I am happy to agree to negotiating with the government while the Bill is between here and another place, but I make the point quite simply that my amendment does not stop fees, rates or charges from being increased or introduced. All it does is to give the whip hand, as it were, to Parliament as the final arbiter if the fees are considered excessive or exceed the undertakings that have been given. There is no bar to the board increasing or imposing fees or charges.

Nevertheless, I should be quite happy to have discussions on the matter while the Bill is between here and another place.

Mr MATHEWS (Minister for Community Services)—I understand that those remarks should cover the amendment now before the Committee as well as amendments Nos 4 and 5 proposed to be moved by the honourable member for Gippsland West.

The amendment was negatived.

Mr BROWN (Gippsland West)—I move:

6. Clause 108, page 62, after line 4, insert—

"(5) Regulations made under this section may be disallowed, in whole or in part, by resolution of either House of Parliament in accordance with the requirements of section 6 (2) of the *Subordinate Legislation Act* 1962.

(6) Disallowance of a regulation under sub-section (5) must be taken to be disallowance by Parliament for the purposes of the *Subordinate Legislation Act* 1962.".

Mr MATHEWS (Minister for Community Services)—The government's attitude to this amendment is as I have expressed in regard to the earlier amendment.

The amendment was negatived, and the clause was agreed to.

Clause 109

Mr BROWN (Gippsland West)—I move:

7. Clause 109, lines 6 and 7, omit "Board may, if the Minister approves after consultation with the Treasurer" and insert "Governor in Council may, by regulation".

The amendment is similar to what honourable members have been talking about in the past few minutes. The Opposition wants Parliament to be the final arbiter and to have the control if it is deemed to be necessary. As is the case in regard to clause 108 with which the Committee has just dealt, I can certainly foreshadow that it is most unlikely, even in the event of discussion and negotiation, that the Opposition will change its mind on this clause. I am sure it will require that regulations be subject to the requirements of the Subordinate Legislation Act: in other words, that ultimately Parliament is the final decision maker, the arbiter, should that be deemed necessary.

Nevertheless, as always, I am prepared to cooperate and will talk to the government while the Bill is between here and another place.

The amendment was negatived.

Mr BROWN (Gippsland West)—I move:

9. Clause 109, line 14, after "unless" insert "—

(*a*) the person or vessel is".

The amendment relates to search and rescue craft. I understand the government is planning to accept the amendment anyway.

The amendment was agreed to.

Mr BROWN (Gippsland West)—I move:

10. Clause 109, line 14, after "section 67", insert "; or

(*b*) the vessel is a vessel referred to in section 10 (3)".

This amendment also relates to search and rescue vessels and will ensure that such vessels will not be charged a registration fee. The Opposition will negotiate with the government while the Bill is between here and another place on the basis of the understanding that the Minister has outlined to the Committee. The government itself will no doubt amend the Bill before it gets to the other place anyway.

The amendment was agreed to.

Mr BROWN (Gippsland West)—I move:

11. Clause 109, after line 20, insert—

"(5) Regulations made under this section may be disallowed, in whole or in part, by resolution of either House of Parliament in accordance with the requirements of section 6 (2) of the *Subordinate Legislation Act* 1962.

(6) Disallowance of a regulation under sub-section (5) must be taken to be disallowance by Parliament for the purposes of the *Subordinate Legislation Act* 1962.".

Mr MATHEWS (Minister for Community Services)—Consistent with earlier agreements, this amendment, too, merits further discussion while the Bill is between here and another place.

The amendment was negatived, and the clause, as amended, was adopted, as were the remaining clauses and the schedules.

The Bill was reported to the House with amendments, and passed through its remaining stages.

STATE BANK BILL

The debate (adjourned from March 3) on the motion of Mr Jolly (Treasurer) for the second reading of this Bill was resumed.

Mr STOCKDALE (Brighton)—The State Bank Bill appears to be more important than it is. It is a Bill which, on its face, rewrites the law relating to the State Bank of Victoria. It makes a number of important innovations of principle but overall does not substantially change the commercial operation of the bank.

The Opposition, contrary to the assertions of the Premier in this Chamber on many occasions, values the State Bank as an important institution in Victoria, not only because of its financial role, but also because of the important role it has played in providing housing finance to so many Victorians and because of its special role in the housing finance market.

Over many decades of Liberal rule the State Bank not only operated but also thrived under governments which were sympathetic to its operation and which valued its important social and economic role in Victoria. Far from opposing it, the Liberal Party has supported the extension of the bank's charter and its expansion and development as a major financial institution in Victoria and, indeed, on the Australian financial stage. That is not to suggest that the Opposition has given unqualified approval to the basis of operation of the bank.

In common with what the government itself has sometimes said to be its own values, the Liberal Party is of the belief that a role can be defined for statutory authorities where they serve an important public function and where there is a public benefit from their operation, but where they compete in commercial markets they should, so far as possible, compete fairly. They should be subjected to the restraints which apply to their private industry competitors.

In numerous respects, that is not the present position in relation to the State Bank. In the context of the Bill, it is important to direct attention to some of the advantages the State Bank has over private industry competitors within the wider banking community. Firstly, the bank is recognised as a State bank. I am not talking about the government guarantee of its liabilities—I shall come back to that in a moment—but it is a fact that many Victorians attach a value to dealing with the State Bank and, in particular, having the State Bank as the source of their housing finance simply on the basis that the government owns and stands behind the bank and that it has the support of the taxpayers. It is seen as being part of the government of the State of Victoria.

That abstract concept of its character is a separate but identifiable advantage that it has over its private industry competitors. It cannot be quantified, we cannot put a precise value on it, but the bank gains advantage in the marketplace from its standing as a State government-owned bank.

Secondly, it has the government guarantee. The advantage of the government guarantee might be overrated, but it has two distinct elements to it. It has, firstly, the marketing element, in that in marketing its services, particularly in the housing market, the government guarantee gives the consumer a feeling of security that he does not get from any private bank that stands on the ordinary commercial footing of any other business in the community. Secondly, apart from the formal guarantee, there is a de facto guarantee in that customers of the bank see it as being part of the government of the State of Victoria and as having the government standing behind it.

Those factors also apply to the bank's borrowings. Lenders to the bank can approach the bank or receive approaches from the bank secure in the knowledge that it has a formal guarantee of the loans they make to it from the Victorian government or, to put it more accurately, from the Victorian taxpayer; and that the Victorian government and the Victorian taxpayer stand behind and, by force of law, guarantee repayment of its borrowings. That de facto guarantee applies also in that overseas lenders or domestic lenders will see the bank as more secure than a private bank simply because it is a government bank. The view is taken that there is no way that the State government would allow a situation to develop in which the bank defaulted on its obligations. The State Bank has that advantage of a government guarantee.

It also has a number of marketing advantages over private banks in terms of, for example, the longstanding arrangement by which the bank has priority access to school children. In the past the bank has attached a very high value to the fact that there are agreements and arrangements under which school children are encouraged to take out a small savings account with the State Bank very early in their school lives. That confers a marketing advantage on the bank because having commenced to deal with the State Bank very early in life—perhaps even before ten years of age—the customer will be institutionalised into dealing with the State Bank as his or her bank. It may be that even through his or her school years the customer will maintain a small balance in that account but he or she will come into the habit of having the State Bank as his or her savings bank and so the bank gains an enormous commercial advantage.

The fourth point is that the bank has what is on the one hand an advantage and, on the other hand, has what has proved to be a disadvantage in recent years; that is, preferential access to capital by virtue of the State standing behind the bank. I instance the case where, not very long ago, there was a special injection of capital into the bank when the present government converted $45 million of loans standing to the credit of the State into capital. The bank had to service that capital under the existing dividend arrangements, but it had access to capital provided by Victorian taxpayers which simply is not available to the banks which compete on the commercial market.

On the other side of the coin is the fact that it has been demonstrated in recent times right around the Western World—and Australia and Victoria are not exceptions in this—that the constraints on public sector borrowings have limited the access of public authorities to the private capital market. Indeed, great concern about public indebtedness both within Australia and overseas about the level of public indebtedness has put additional constraints on the access of public authorities to private capital markets, and innovative proposals like the privatisation proposals of Senator Evans and the Prime Minister among others are one response to that situation. Senator Evans expressly argued for privatisation on the ground of giving access to capital which would otherwise not be available if those authorities remained in the public sector.

On the other hand, there are innovative arrangements to raise what is in fact disguised debt in the government's Victorian Equity Trust proposals, which is a bogus form of privatisation expressly designed to give statutory authorities, which have had to rely excessively on debt financing under the policies of the present Labor government, access to capital.

In these respects, the Bill involves yet another novel means of quasi privatisation designed to flush into the State Bank the investment funds of various other statutory authorities within the Victorian public sector. I shall say something about that later.

But the most important advantage that the State Bank has in the commercial banking market in Australia is that it is not bound by Commonwealth banking laws. Over many years it has voluntarily complied with the prudential requirements of the Reserve Bank of Australia—or, to put it more accurately, it has nearly complied with those requirements. The State Bank's policy has been to comply with those requirements as far as it can and there is some concern, as I understand it, that in the near future the State Bank may have some difficulty in complying with those prudential requirements.

The second point is that despite the arrangements that exist under the legislation and those which are proposed to be continued under the Bill, the State Bank does not stand in the same position as its private competitors in relation to tax. It is not bound to comply rigidly with the accounting practices which the Australian Taxation Office requires the private banks to observe in calculating notional tax.

Mr Ross-Edwards interjected.

Mr STOCKDALE—The slightest scratch on the surface of the sacred cows of the National Party brings even the Leader of the National Party in here.

Despite the tax arrangements under which the Treasurer can approve the accounting practices of the State Bank, despite its broad adherence to the accounting practices which apply in banks in private industry, the fact is that the State Bank is not bound by nor does it strictly observe the accounting practices or the tax reporting laws which apply to the private banks; nor is the State Bank legally bound to comply with the reporting requirements under the Companies Code which apply to private banks. There is not exactly the same kind of disclosure of its operations and not the same public accountability as applies to the private banks.

By far the greatest advantage the State Bank gains under the existing legislative regime is that it is not obliged to nor does it maintain statutory reserve deposits. The private banks are obliged to maintain a considerable proportion of their assets in statutory reserve deposits and those deposits bear a very low rate of interest, less than the commercial rate of interest—something in the vicinity at present I understand of 8 per cent, whereas 10 to 12 per cent and higher is readily obtainable on the open market. The returns of both the private banks and the State Bank would exceed even those returns available on deposit funds. The private banks in competition with the State Bank are therefore at a considerable disadvantage in having a substantial amount of their resources tied up in statutory reserve deposits, earning a much lower rate of return than they would earn on the market and which the State Bank is able to earn on those resources which would otherwise be tied up.

Notwithstanding or perhaps because of those advantages, the State Bank has recently been through a period of very rapid growth. I seek leave to incorporate in *Hansard* a table which shows the total balance sheet assets of the State Bank, excluding Tricontinental Corporation Ltd, its financial subsidiary. In seeking leave, may I apologise to the House. The Bill having come on slightly earlier than I anticipated, these tables were still in the process of being typed.

Leave was granted, and the table was as follows:

STATE BANK—TOTAL BALANCE SHEET ASSETS
(EXCLUDING TRICONTINENTAL)

30 June	*Assets $ Million*
1981	4 987
1984	7 511
1987	13 844

Source: Data supplied by State Bank.

Mr STOCKDALE—This table shows the total balance sheet assets of the State Bank in 1981, 1984 and 1987 and comes from data supplied by the bank itself. It can be seen that there is a substantial rate of growth, from just under $5 billion in 1981 to nearly $14 billion in 1987. It is an important background against which some of the other figures I want to put before the House need to be examined, because, notwithstanding that rapid expansion in its total asset base, the State Bank has in fact broadly maintained its share of housing business as a proportion of its total assets.

To demonstrate that, I seek leave to incorporate in *Hansard* two other tables, the first of which shows housing loans outstanding as a proportion of the total Australian assets of the bank.

Leave was granted, and the table was as follows:

STATE BANK—HOUSING LOANS
OUTSTANDING AS PROPORTION OF
TOTAL AUSTRALIAN ASSETS

December	*Housing Loans at % of Assets*
1981	45·9
1982	43·4
1983	43·5
1984	42·3
1985	39·3
1986	41·7
1987	40·2

Source: Data supplied by State Bank.

Mr STOCKDALE—The table shows a gradual decline between 1981 and 1985 in the proportion of total assets represented by housing loans.

Mr Ross-Edwards—That is a pretty good proportion.

Mr Jolly interjected.

Mr STOCKDALE—Not in terms of volume, as the Treasurer interjects, but in terms of the proportion of total assets of the housing loans.

As the Leader of the National Party interjects, it is a significant proportion of the bank's total assets and, indeed, right throughout the period, notwithstanding the downward trend of the proportion—no doubt a reflection of the rapid growth of the bank's other business—it has maintained in the vicinity of 40 per cent of its total assets in the housing market.

That is an illustration of the extent to which the State Bank plays an important role in the Victorian community as a provider of housing finance and it shows that, notwithstanding rapid expansion, the bank has maintained its commitment to providing housing finance for Victorian families.

Mr Ross-Edwards—You commend that, don't you?

Mr STOCKDALE—I certainly do. The Liberal Party has a long tradition of supporting home ownership in Victoria and applauds the State Bank for maintaining its special role. The Opposition regards that as an enduring benefit to the Victorian community and puts the lie to a lot of statements the Premier has tried to make in this House for base political purposes.

I seek leave to incorporate in *Hansard* a third table, which shows the share of housing loan approvals made by the State Bank as a proportion of loans by all Victorian lenders.

Leave was granted, and the table was as follows:

STATE BANK SHARE OF HOUSING LOAN APPROVALS BY ALL VICTORIAN LENDERS

	Quarter	*Approvals ($M)*	*Market Share (%)*
1982	March	122	27·15
	June	142	29·72
	September	127	28·83
	December	156	30·61
1983	March	141	25·64
	June	177	28·74
	September	178	29·08
	December	211	28·68
1984	March	179	22·22
	June	205	23·14
	September	189	21·22
	December	198	21·38
1985	March	214	23·91
	June	317	31·33
	September	382	36·25
	December	386	41·11
1986	March	387	48·34
	June	375	38·94
	September	337	35·14
	December	369	33·64
1987	March	395	39·20
	June	395	36·71
	September	345	30·92
	December	349	26·08

Source: Data supplied by State Bank.

Mr STOCKDALE—This table shows some fluctuation in the proportion of the housing market represented by the State Bank's market share. In particular, in recent years there have been marked fluctuations in quarterly approvals of the State Bank that are not so much due to the bank changing its participation but to the participation of other lending authorities.

In the period between 1984 and 1986 the bank's market share tended to rise, not just because the bank was lending more money but because other institutions were lending less and the State Bank became a more important proportional lender as other banks and institutions reduced their lending under pressure of the Commonwealth's 13·5 per cent ceiling on housing interest rates. Those interest rates were less attractive and the banks were less able to compete for money. They simply were unable and unwilling to lend at the same levels at which they had lent previously.

That situation has recently gone in the reverse direction, as it were, because the banks have come back into the market as the restrictions on lending rates have been amended.

In addition, in the most recent period, building societies have rapidly increased the volume of their lending and, accordingly, the bank's ratio has declined. However, I understand the bank expects that over the 1988 year as a whole its share of the market will return to approximately 30 per cent, which is regarded as its long-term market share.

These tables show that the State Bank of Victoria has a special role in the housing finance market. Notwithstanding the rapid expansion of its total asset base, it has maintained its market share. Indeed, during the adverse period when other institutions were prepared to lend less, the State Bank, by maintaining its lending rate, became a substantial participant in the home finance market.

That is applauded by the Liberal Party. It is the sort of social advantage flowing to the Victorian community that is justification for government intervention in what is otherwise an intensely competitive area of private sector activity. It means that the Victorian community has gained a special advantage out of the home loan activity of the State Bank.

Just as the Liberal Party supported and maintained that approach when previously in government, so it does in opposition and will do again when returned to government. The Opposition wants the State Bank to maintain its role as a special lender in the housing market.

It is apparent that if the bank maintains that role it will act as a participant in the market exerting downward pressure on home loan rates and increasing the supply of housing finance generally available. The Liberal Party stands foursquare for the proposition that home ownership is a good thing and that it should, so far as possible, be encouraged by government without creating unnecessary distortions in the wider economy.

The Liberal Party will broadly support the Bill but I foreshadow a number of amendments to increase the accountability of the State Bank and the executive government to Parliament.

Mr Ross-Edwards interjected.

Mr STOCKDALE—I shall be happy to consult with the Leader of the National Party on the amendments. I advise that I received the formal draft of the amendments only today and it was not expected that the Bill would be debated this evening.

I foreshadow that the Opposition will make amendments to a number of machinery provisions. An amendment to clause 53 will provide for disallowance of regulations by either House of Parliament. Interrelating with that and designed to protect other provisions, the Liberal Party will move to amend clause 2 so that the whole of the Bill will come into effect on a single day. As the Bill stands at the moment, provisions might be brought into force on different days.

The government has established a tradition of cynically manipulating the commencement provisions of Bills so that clauses it likes are brought into operation and clauses it does not like are not brought into operation, thus frustrating the intention of Parliament. Honourable members may debate a Bill at length only to find that in the final analysis the government has cynically manipulated the commencement clause and used its power not to proclaim the operation of parts of the Bill. That frustrates the intention of Parliament and leaves the Opposition with no alternative but to move amendments that require Bills to come into force on a single day, even where that may create some administrative inconvenience with a Bill of this kind which may have far-reaching effects.

The Opposition will move an amendment to clause 14 to restore the principles of the present conditions governing the removal of directors. Commissioners are henceforth to become directors. The present provisions of the State Bank Act allow Parliament to consider and, if necessary, to reverse the removal of a commissioner by the executive government.

The Bill empowers the executive government—the Governor in Council—to remove a director without any accountability to Parliament. The Opposition proposes to move an amendment to restore the conditions of the existing provisions so that removal of a

director is subject to scrutiny by Parliament and, if necessary, can be reversed by Parliament to maintain a director in office.

Clause 27 deals with the participation of the bank in companies, joint ventures and other entities. The problem in the past has been the inadequate reporting of the activities of statutory authorities conducted through joint ventures and subsidiary companies. Indeed, the Auditor-General has expressed concern about the lack of accountability to Parliament through inadequate reporting of such activities in annual reports to Parliament and other documents.

The Opposition will also seek to amend the Bill so that the State Bank will be permitted to establish companies and subsidiaries and participate in other entities only where the bank is satisfied that its auditor will have access to the accounts of the subsidiary entity on the same terms that it has access to the accounts of the bank.

I shall refer later to clause 27 (5), which deals with the expansion of the charter of the State Bank into annuities and life insurance policies.

Clause 29 empowers the Treasurer to initiate, and, in the final analysis, to bind the State Bank in relation thereto, to banking policies. The Liberal Party takes the view that where banking policies are initiated or imposed by the Treasurer, those policies should be disclosed to Parliament. The Opposition will move to amend the Bill so that there is disclosure to Parliament wherever the Treasurer initiates or imposes banking policy on the bank.

The Opposition will seek to make a number of amendments to clause 46, which deals with the reporting requirements of the bank, to provide accountability to Parliament and to limit the discretion of the Treasurer to establish accounting practices and reporting standards which have not been sanctioned by Parliament and which are not part of the general law. The Opposition will also seek to make the reporting standards more analogous to those which apply to private banks.

Clause 47 provides for the appointment of the bank's auditor. The Opposition does not propose to interfere with the existing arrangements under which the State Bank has the right to, and indeed does, appoint a private auditor as the bank's auditor. That is the desirable, normal course. However, the Opposition will move to provide an option to the appointment of the Auditor-General as the bank's auditor, should the bank see fit. The Opposition will also move to empower the Treasurer to require a special audit by the Auditor-General, should he see fit. In both cases, the Opposition will provide for the possibility of the contracting out of that audit by the Auditor-General to the private sector.

Mr Ross-Edwards—Why can't the bank do it?

The DEPUTY SPEAKER (Mr Fogarty)—Order! The Leader of the National Party is giving me the horrors. He should be quiet until he gets the call.

Mr STOCKDALE—If the Leader of the National Party opened his ears instead of his mouth he might learn that the Opposition is not seeking to interfere with the bank's existing practice of using private sector auditors. Indeed, it welcomes that and wishes to see the Auditor-General increasingly contracting out his audit responsibilities to the private sector. It understands that the Auditor-General has recently done work showing that, in many circumstances, cost advantages exist in conducting his audit responsibilities in that way. The Opposition entirely supports the notion of increased reliance on private sector auditors and will move to incorporate in its proposed amendments provision for such activity to be undertaken.

Clause 48 would exempt the State Bank from the Freedom of Information Act. The Opposition is opposed in principle to statutory authorities being exempt from that Act. It believes the State Bank has nothing to hide, that it is adequately protected from commercial disadvantage through the disclosure of commercially sensitive material by the existing defences and exemptions, that it is in no different position from any other statutory

authority and that proper accountability to Parliament and the people of Victoria requires that in areas other than those of commercial sensitivity the bank is subject to the Freedom of Information Act in the same way as any other statutory authority.

The Opposition believes any commercial disadvantage to the bank from misconception about its exposure to freedom of information requests is more than offset by the advantage to Parliament and the community in having statutory authorities subject to the Freedom of Information Act. The government, as distinct from the bank, its commissioners and management, seeking to exempt the State Bank from the Freedom of Information Act is yet another example of the government resiling at considerable speed from its commitment to open government. Even in the case of an organisation that is protected in relation to its commercially sensitive material, the government seeks to exempt it from the Freedom of Information Act.

I shall now refer to a matter that has recently been raised by the Life Insurance Federation of Australia. Clause 27 (5) would permit the State Bank to issue life insurance policies and to grant or deal in annuities. Following representations from the federation, the Opposition is concerned that the clause is wider than the government intended and that it would permit the bank to enter the life insurance industry on a scale never anticipated even by the government and inappropriate to the State Bank.

The Treasurer has indicated, by interjection, that that is not his intention, and that is precisely my point. However, it has raised legitimate and supportable fears that that is what the State Bank might embark upon in the future. The Opposition believes it would be appropriate to circumscribe that power in light of the fact that it is virtually impossible to create a level playing field between an institution such as the State Bank on the one hand and private life insurance companies on the other. Under Federal law, numerous restrictions apply to private life insurance companies which could not apply to the State Bank. It is not possible to create an analogous position that would restrict the bank to fair competition.

I have discussed this matter with the Treasurer and I understand he will be prepared to give—and I now seek from him—an assurance that, when the Bill is between this House and the other place, he will consult further with the opposition parties and with the Life Insurance Federation of Australia with a view to making clear the government's intention that the bank's role in these areas is to be more limited than it might appear on the face of clause 27 (5). I ask the Treasurer to give that assurance before the debate concludes in this place.

The most notable point of principle raised by the Bill concerns the restructuring of the capital of the State Bank. Clause 32 contemplates the issuing of shares and capital of the bank to other statutory authorites, agencies, instrumentalities or any other body that is an emanation of the Crown. That provision is contained in subclause (4) of clause 32. That is a form of bogus privatisation. It is not a means of raising capital by giving the bank access to the Victorian or Australian capital markets; it is a means of supplementing the capital of the bank by flushing into it the investment reserves of other statutory authorities.

That points out the fact that a number of Victorian and Australian statutory authorities have found difficulty, given the constraints on public sector borrowing, in providing such capital by way of debt raising. The Treasurer has been driven to a series of inventive devices of dubious validity for flushing into authorities, like the State Bank, the capital that stands to the credit of other statutory authorities. The Opposition is concerned that, for example, until the Accident Compensation Commission is completely devoid of assets in 1991 or 1992, its funds will be flushed across to the State Bank not with the motive of maximising the return on employers' premiums held by the commission but to assist the State Bank to expand its capital base to enable it to meet the spirit of prudential standards that the Reserve Bank lays down for banks operating in Australia.

It underlines the fact that the government has mismanaged the finances of Victorian statutory authorities, that it has been driven to bogus privatisation devices and dubious

measures for the manipulation of funds collected to be applied to a purpose alien to their original purpose and to enable the bank to continue meeting the requirements of the Reserve Bank of Australia.

Clause 32 (7) indicates that the shares are non-voting shares but it does not clarify exactly what limitations will be imposed by subclause (7). The Opposition understands the intention is merely to indicate that the shares are not voting shares. While the Bill is between here and another place I invite the Treasurer to direct his attention to what is the legal effect as distinct from the intention of subclause (7) because it may have a much wider effect than the government intends.

The Bill is important and, by virtue of the manipulation of the funds of other statutory authorities, it involves yet another recognition of the disastrous consequences of the government's mismanagement of public finance in this State, also that statutory authorities generally have been driven by government policy to excessive reliance on debt. That criticism has less relevance to a financial institution like the State Bank but nonetheless it is clear, by virtue of the government's taxing and dividend policies, that the bank has not been able to generate sufficient equity capital to meet the prudential standards it is required to meet under existing conventions.

Just as a couple of years ago the government was driven to subscribe $45 million of capital, so now the law is being amended to provide means of dealing with a situation that has been inflicted upon statutory authorities by the dividend and tax policies of this government. The combined impact of these policies on the State Bank has brought it to the point where this sort of bogus privatisation has to be pursued. This sort of approach is not in the long-term interests of Victorian taxpayers; nor is it in the long-term interests of the statutory authorities. The device is inappropriate but, in the final analysis, Parliament has little choice.

The government has so taxed and eroded the financial standing of the State Bank that it is necessary to supplement its capital base. The Opposition will not oppose the measure because, in the final analysis, it will enable the bank to continue pursuing the social advantage the Victorian community gains from its participation in the private housing market in particular. The Opposition applauds that involvement and wants it to continue. It regards this involvement as an important advantage to the Victorian community. The provisions expanding the capital base of the bank only illustrate that government policy has threatened the bank's continuation of that important role.

For those reasons and to increase accountability, the Liberal Party will move the amendments I have foreshadowed. I ask the Treasurer to reiterate the assurances he has given outside the House on consultation with the opposition parties and the Life Insurance Federation of Australia. Other than that, the Liberal Party will support the Bill.

Mr ROSS-EDWARDS (Leader of the National Party)—The National Party supports the registration of the State Bank and commends the government for introducing the measure. I understand the Bill received the wholehearted support of the commissioners of the State Bank. I believe they should be given some of the credit for urging the creation of the Bill because the registration under which the bank operates could be described as archaic. Change had to come. One can argue about the pros and cons of some of the clauses but change was necessary.

I do not wish to dwell on this matter but when the Liberal Party spokesman says his party wishes to help the State Bank, my mind goes back to the second half of the 1950s, the 1960s and the early 1970s when the State Bank had its hands tied behind its back by the then Liberal government. Private banks received permission to operate savings accounts and they expanded beyond belief. The only two banks in Victoria that had operated savings accounts prior to that were the Commonwealth and State banks.

At that time the State Bank was not allowed to have trading accounts and if one drew a cheque on one's passbook and one was 1 penny or 1 cent over, the cheque had to be

knocked back. What a primitive state of affairs! Now the State Bank is the fifth largest bank in Australia but it is no fault of the Liberal Party; it is because of the loyalty of Victorians and the efficient way the bank has been run for a long time.

I have had the highest regard for the competency of the bank in the past and now. The bank is very well managed by the chairman, Mr Arnold Hancock, the deputy chairman, Mr Neil Smith, the chief executive, Mr Bill Moyle, and other directors who are competent and highly respected in the community. They are respected by all political parties and the bank is fortunate to have the leadership it has.

It is a tragedy that in the past the State Bank was not given a go and was held back to the advantage of private banks in Australia and especially in Victoria. The Commonwealth Bank was encouraged by all political parties and that is why it is Australia's biggest bank today. The State Bank has made remarkable progress in recent years. Before the Labor Party came to office it was given the expanded role it has today but regrettably it took many years coming.

One of the main purposes of the proposed legislation is to clarify certain areas of legislation affecting the State Bank to ensure that it has the constitutional right to do what it is currently doing. Apparently some doubts have been expressed in certain areas as to whether the bank was adequately covered by legislation. That problem has been rectified. The bank now will technically become a company. That will mean little to ordinary citizens but the commissioners will become directors, there will be a shareholding, and, in general terms, that means the present assets of the bank will become government-owned shares.

Government instrumentalities will contribute capital to the bank and receive shares in exchange. That will provide the bank with needed additional capital and will enable it to expand at a faster rate than it has done in recent times. This will make it easier for the government to receive a larger share from the State Bank. Firstly, it will continue to receive the equivalent of a company tax, and, secondly, it will receive good dividends because the statutory authorities will be looking for their dividend cheques. For the first time additional fees will be paid to the government. One aspect of that will be a fee chargeable on government guarantees in certain instances.

I do not suppose one would quarrel with that if one were borrowing money and had a government guarantee, because money could be borrowed at a lower interest rate with considerable saving to the borrower. I know various organisations that have been helped in that way acknowledge that a government guarantee has meant they have obtained money at lesser cost. Nevertheless, the State Bank of Victoria will earn more money for the government than has occurred in the past. The bank will have the trappings of a company with no outside shareholdings.

Despite what is said in Canberra, there have been no suggestions from the Labor government in Victoria that there should be any privatisation of government agencies. That is understandable, because it would not be acceptable to the public. The State government holds the firm view that privatisation is not acceptable in Victoria, but its Federal counterpart has a different attitude to such Commonwealth organisations as the Commonwealth Bank of Australia, Australian Airlines and Qantas, as well as other Federal agencies. I do not believe privatisation of a public body such as the State Bank will occur in Victoria, no matter what government is in power.

The proposed legislation confers power to make the chief executive officer a director of the bank, and I hope consideration is given to that; I am sure it will be. Statutory provisions provide for the directors of the bank to confer with the Treasurer, but the ultimate power remains with the government of the day, through the Treasurer. I suppose that has always been the case and has to be so when the capital is owned by the government—therefore, by the people of Victoria. It is hard to quarrel with the argument that the Treasurer, representing the government and the people of Victoria, should have control.

I am intrigued by the amendments foreshadowed by the honourable member for Brighton, and I suggest to the Treasurer that debate on the Bill be adjourned until later this evening so that honourable members have an opportunity to examine the proposed amendments. Apparently the Treasurer suffers from the same problem as I do. It is difficult to come to a view on whether amendments should be accepted if one has not seen them.

Mr Jolly interjected.

Mr ROSS-EDWARDS—Considering the amendments in another place does not appeal to me. The House should consider the amendments and should examine them in Committee.

I was fascinated to hear the honourable member for Brighton refer to a proposed amendment regarding the auditor of the bank. The State Bank has always had a private auditor. One would expect a private enterprise party to support that principle. The honourable member for Brighton wants to delegate to the Auditor-General the responsibility to call tenders and choose an auditor.

Mr Stockdale interjected.

Mr ROSS-EDWARDS—I listened for an hour and a half to the honourable member for Brighton; it was a repeat performance. I assure the honourable member that I do not suffer from the same problem. The State Bank should have a private auditor who should be chosen by the bank itself. I do not understand the reasoning of the honourable member for Brighton. Victoria has many competent private auditors who have audited the State Bank's accounts, and I see no reason for the proposed amendment. If the honourable member wants it another way, I want to view his proposed amendment before the debate goes into the Committee stage.

The National Party supports the Bill. It is a step forward for the State Bank, of which all Victorians are proud. The bank has a responsibility to improve its performance, particularly in the area of housing, because of the additional funds that will be at its disposal in the years ahead.

Mr WILLIAMS (Doncaster)—I have mixed feelings about the Bill. I might be in favour of the proposed legislation if it were designed to give additional muscle to a true workers' bank, but the more I examine the Bill and read of the activities of the bank, particularly its subsidiary, Tricontinental Corporation Ltd, the more concerned I am.

The proposed legislation is designed to help the rich vested interest and not the skilled tradesman, the farmer and the small businessman, who are the backbone of the nation and who should be the bank's major customers.

The State Bank of Victoria was created by a true Liberal Party of the old nineteenth century traditions. The concept of pooling the savings of the workers and the smaller income person so that they can receive decent houses; and the concept of farmers and goldminers obtaining finance to purchase their own farms and bunsiness ventures was laudable. It is the type of workers' capitalism that I believe in. A true Liberal Party must be totally opposed to any concept of a government bank using cheap interest money borrowed from abroad and re-lent for the benefit of a select few high-flying entrepreneurs. Unfortunately, that is the current trend.

The State Bank is fortunate that the high income and savings of the Victorian community and their ability to pay taxes and deposit savings into the bank have given it the ability to borrow abroad at cheap rates of interest and to build up its reserves so that it has been able to acquire a 100 per cent interest in Tricontinental Corporation Ltd. The bank is able to use its borrowings to engage in risk-taking ventures, even speculative property development and takeover machinations that the community witnessed in recent years prior to the share market crash of October 1987.

It is reprehensible that the reserve funds of the State Insurance Office and the Accident Compensation Commission are to be invested in the bank. Both organisations face huge

contingent liabilities and ought not to be investing in what I describe as another Rothwell's West Australian bank, as have public authorities, to their shame.

The Western Australian equivalent of the State Bank of Victoria recently came to the rescue of the Teachers Credit Society of Western Australia, which lost $62 million of the savings of its 36 000 members because of risky investments, unfortunately tainted by corrupt practices which plunged the society into property development and other blue sky ventures. The Rural Industry Bank of Western Australia was forced to come to the rescue of the society, which in turn involved the government of Western Australia depositing in the bank approximately $44 million, more than the government's land tax raisings for the year, to prevent horrendous problems in the financial structure of Western Australia.

It is for that reason that I deplore the remarks of the Treasurer that the State Bank will move into high finance, both inside and outside Australia. The profits of the bank fell by 18 per cent in 1986–87 because of a squeeze on its net income, rising interest rates and increased capitalisation. Due to the bank's increased exposure to risk from offshore ventures and merchant banks, the State Bank has had to more than double its provisions for bad and doubtful debts and other losses this financial year.

What is a workers', people's bank doing doubling its bad and doubtful debts? It is obvious it is not lending to workers. It is lending to high-flying venture capitalists. If one examines the situation in this country, one finds that it is overprovided with banks. Australia now has 28 trading banks, 3 development banks, 15 savings banks, 65 building societies, more than 300 credit unions and 145 finance companies.

The State Bank, through its wholly-owned subsidiary, Tricontinental Corporation Ltd, is also competing with 135 merchant banks. Australia is overprovided with lenders. There is no doubt about that. It is an area of cutthroat competition and slim profit margins. I question whether a subsidiary of the State Bank ought to be involved in this sort of activity.

According to Mr Bruce Morgan, the Managing Director of Bankers Trust Australia Ltd, only a handful of the 135 merchant banks will continue to trade profitably. A lot will go broke. The State Bank subsidiary will not go broke, but profit margins will be cut. The Bill paves the way for these pie-in-the-sky ventures.

I agree with the praise that has been given by previous speakers to the work of the bank and its State manager, Mr Bill Moyle who, as a former employee of the great Chase National bank, is a world banker in his own right. So far as I am concerned, he will need to be a clever, astute man if he is to compete with all the merchant banks that are now acting in this country in such vigorous competition.

I want to point out that the bank's subsidiary, Tricontinental Corporation Ltd, has not been immune from scams and frauds. It is no good the Treasurer imagining that all is sweetness and light with the past activities of Tricontinental. I hope some of the things that have happened do not recur in the future. I have some misgivings about press statements by some leading officers of the bank and its subsidiaries of their predilection to do business with certain Melbourne wheeler-dealers in whose business ventures I would feel dubious about involving workers' savings.

I agree that the AAA rating conferred on the State Bank by the Japan Bond Research Institute should provide a milch cow of cheap Japanese money. However, that should be for the benefit of the workers and not for high-flying entrepreneurs. None of us wants to be in hock to the Japanese, especially for the benefit of multimillion dollar property development deals rather than export-producing, cost-reducing investment in factories, warehouses and similar ventures. That is the area in which the bank should be investing, and not with some of the property dealers of whom I have spoken.

Unless our balance of payments position improves, financing of these kinds of activities could lead us into becoming another Mexico to eventually be humiliated by Japanese bankers.

The bank's gearing ratio—the ratio of assets to shareholders' funds—in 1986 was 26 : 1—easily the highest in Australia. It was well above the maximum gearing ratio of 18 : 1 established by the Reserve Bank for trading and other banks under its control. I am pleased to see that the gearing ratio has now been brought back to 18 : 1 by the issue of $200 million in perpetual subordinated debt payable to overseas lenders.

Mr Coleman—Who to?

Mr WILLIAMS—It is paid to the Americans and to the Japanese who have invested in the United Kingdom market. A sum of US$125 million is involved. The loan was greatly helped by the major United States investment adviser Moody's giving the State Bank the highest possible credit rating. I wonder how many members of the Labor Party caucus committee really know about the background of some of the financing activities of Tricontinental. I wonder how many of them know that the State Bank notes are known overseas as "sticky vickies", and they have flooded the London market. They are known as "sticky vickies" because of their notorious price volatility and they are very much the prerogative of high-flying money market operators and not the old-fashioned, conservative gentlemen who used to be active in the management of the State Bank of old.

I am making these remarks to try to enlighten some members on the other side of the House that the Bill is not all sweetness and light. The Bill is not all it seems; it is not just to help the workers. In the final analysis it will help high-flying financial activities. I am most concerned that the State Bank will become a high-flier in the world of international finance instead of the safe, solid, conservative workers' bank it used to be.

I am concerned now that the bank and its subsidiary should be engaging in financing and underwriting takeovers, leveraged buy-outs, buy-backs, put and pull options, and "greenmail". I have been informed that in the past few weeks the bank has financed a new share issue by a company whose shares are about 30 cents or 40 cents each. This will be a non-renounceable share issue and the State Bank or its subsidiary will be the underwriter.

That is not the type of activity in which the people's bank should be engaged. I certainly object to the bank being the vehicle of money-making activities of leading Melbourne wheeler-dealers. It ought to be devoted to helping ventures in Victoria that will provide employment for the workers and, above all, increased productivity and export income for this country.

Before the October crash, it was common for banks to lend up to 70 per cent of the investment value of shares. I would think the State Bank certainly has the edge on the other banks because it is backed by the taxpayer. I repeat: this backing should not be used to let the greedy few engage in a frenzy of speculative activities in an endeavour to maximise their profits.

If there is to be proper deregulation, with which I agree, whereby the foolish who take dangerous risks go broke, the State Bank should be very wary of being involved in this sort of activity. The State Bank would be well advised to forsake the glamourous, high-risk, high-flying role of merchant banks in favor of supplying cheap money to home owners and small business and looking after its depositors' savings. That is the true role of the workers' bank in a highly competitive, high-risk taking, private enterprise system.

If Victoria had a Liberal government, it would keep the State Bank as a true workers' bank and all the other activities—especially those of Tricontinental Corporation Ltd—would be sold on the stock exchange to the people who should be taking the risks—not the workers of this State.

Mr PERRIN (Bulleen)—I commend the honourable member for Brighton for his comments and point out that the Opposition generally supports the Bill which frees up the State Bank to compete in a competitive banking environment. The Opposition agrees that this is an appropriate course of action for the State Bank.

Like many honourable members, I must declare an interest in the Bill because I and members of my family have bank accounts with the State Bank. From an early age, some 35 or so years ago, I have been a depositor with the State Bank.

Back in the days when I was a boy, the State Bank was a different sort of bank. In those days it was called the State Savings Bank and it had the predominant role of being a savings bank whereas now it has extended into areas such as those mentioned by the honourable member for Doncaster.

In those days I can well remember being a teller at school for the State Savings Bank and having many associations concerned with encouraging students to undertake savings in what was called the State Savings Bank. Since then, I am not sure that the development of the State Bank has always been to the benefit of Victorians in providing opportunities for low interest housing loans and cheaper loans for those in the community less able to obtain funds.

I am not talking about the big merchant bankers and corporations that can go overseas and arrange loans through international money markets and take the risk on those, I am talking about Mr and Mrs Average in the community, like myself, who would have had a housing loan with the State Savings Bank and would have been able to establish their family homes through this bank. Over a period the bank has developed into being a trading bank as well as a savings bank and every day on television one sees the bank encouraging business enterprises to take their trading activities to the State Bank of Victoria.

But the bank has done more than that; it is now developing into other areas such as merchant banking, with its wholly-owned subsidiary—the Tricontinential Corporation Ltd. It is expanding further and further into what I call non-banking activities such as life assurance, and one now sees the State Bank providing investment advisers for people wishing to invest surplus funds. Given that the role of the bank has moved away from what I call the provision of services to those in the community who do not have any other alternative—that is, mainly low interest loans to the working-class people of this State—it would seem that one should examine the change in the State Bank in a different light.

One of the changes in the Bill allows the shareholding of the bank to alter. State statutory corporations can now become shareholders of the bank. That situation has never occurred in the past and it is a clear change for the future. Having looked at the accounts of the Accident Compensation Commission, the State Insurance Office, WorkCare and some of the other statutory corporations that may be tempted to invest in the State Bank, one can only conclude that many of them are not in a position to do that and, when one examines the provisions of the Bill, one wonders whether this would be a move in the right direction because under the Bill they would have no voting rights as shareholders. They could not elect directors or do anything that normal shareholders do in normal corporations. Therefore, to say that the Bill will free up and make the bank competitive with the private sector is simply not true because the shareholding position of the State Bank will be quite restricted, not like other trading banks listed on the Melbourne and Australian stock exchanges.

If the government wants to free up the shareholding of the State Bank, it should offer shares to the banks employees. This would give them an incentive to be involved in the management of the company that employs them. It would be a preferable way of providing incentives to the staff, giving them a commitment to the organisation for which they work. Merely inviting more and more statutory corporations into the organisation will not necessarily make the State Bank competitive in the private sector.

The honourable member for Brighton has mentioned a number of amendments that the Opposition is seeking to the Bill. I have some concerns about the provisions of the Bill regarding annual reports and the standards that will be applied to those reports. It is obvious to me, as a member of the accounting profession, that the accounting standards with regard to reporting entities today are becoming more and more stringent, and that

has to be expected, given incidents such as the stock market crashes and banks and other business organisations moving into more high-risk ventures.

The State Bank is moving into those areas and I am not particularly keen to see the annual reporting requirements of Parliament being applied to the State Bank. The accounting standards that have been applied by the Accounting Standards Review Board—a Federal body—and by the various accounting bodies should be the standards that are applied to the reports produced by the State Bank. It is obvious to me that the amendments foreshadowed by the honourable member for Brighton will be a move in the right direction, and I support them wholeheartedly because they will ensure that the affairs of the State Bank of Victoria are well reported to Parliament.

The lastest annual report of the State Bank of Victoria for the year ended 30 June 1987 shows some interesting figures. The operating profit before tax, which is the only possible correct measure for examining profit, for 1986–87 was $85·3 million. The notional tax of $31·9 million and the $38 million dividend are both paid to the government. The government is the beneficiary of that surplus. The beneficiary of the net operating profit before tax is the State government.

In the previous year, 1985–86, the profit was greater, so there has been a recent slump. In 1985–86 the net operating profit before tax was $97·3 million. The bank then paid to the State government notional tax of $32·5 million and $39 million in dividends. Last year out of a profit of $85 million, the bank paid $70 million to the government; and in the previous year, out of $97 million it paid $71 million to the government. Therefore, it is clear that the main beneficiary of the profitability of the State Bank is the State Treasury.

It is obvious to me, as a conservative economist and accountant, that when one starts taking that proportion of the profit, which is heading towards 80 per cent, one is leaving very little funds with which the bank can expand and, therefore, it is no wonder that the Bill is now seeking to expand the capital base of the State Bank. It is clear that the profitability of the bank is being skimmed off by the government and one should examine the effect of that dividend being paid to the government over the past two financial years.

I refer to Budget Paper No. 4 with regard to public authority payments that have been made since 1982–83. The contributions made by the State Bank of Victoria to the Treasury have doubled in five years. In 1982–83, payments by the State Bank to the government totalled $26·5 million; the following year, 1983–84, the payment increased to $35·5 million; in 1984–85 the payment was $41·1 million; in 1985–86 the payment increased to $55 million. In 1986–87 the contribution to the State Treasury was $65·5 million.

When one examines the Budget Papers it can be seen that the contribution to be made by the State Bank in 1987–88 is expected to fall to $55 million. Honourable members can see that not only is the profitability of the bank tailing off, but also the contributions are starting to tail off after having doubled over the previous five years. It is obvious that the taxation and dividend policies of the government are causing the problem.

When in office the Liberal Party was prepared to accept no more than 50 per cent of the bank's profit into State revenue, which is a more appropriate policy for a government to adopt. The government is anxious to obtain as much money as it can from the State Bank; and the figures speak for themselves.

The people of Victoria should be wary of a Bill affecting the operations of the State Bank because of the taxation and dividend policies of the government. I question the direction in which those policies are heading.

The honourable member for Brighton foreshadowed amendments to the provisions governing auditing of the annual reports of the State Bank; I support those proposed amendments. Although it may be possible to make the State Bank more competitive with the private sector and make it part of the private sector, in effect, the bank remains publicly owned, with the restraints that that entails.

I do not disagree with the appointment of the Auditor-General as the primary auditor of the State Bank of Victoria. If the Auditor-General wants to subcontract the auditing under his control to the private sector, that should be allowed for. As with many other statutory authorities, the Auditor-General should be the principal auditor and should be allowed to contract out auditing functions under his control to private sector auditors. Many auditors in the private sector would welcome the opportunity that would present.

The Auditor-General, who reports directly to Parliament, is prepared to draw many aspects of public accounting to the attention of honourable members. Parliament has a right to expect the report of the Auditor-General on the operations of the State Bank to be presented directly to Parliament.

The honourable member for Doncaster talked about the doubtful debts of the State Bank, the way in which the bank is taking greater financial risks, and the way in which the bank is dealing on the international money market. If the State Bank is to operate in those areas, Parliament must be kept fully informed of those activities.

If the State Bank of Victoria is to compete with the private sector, the directors of the bank—the people who control it—should be drawn from the private sector. That is the case with the Australia and New Zealand Banking Group Limited, the National Australia Bank, and other banks that operate in the private sector.

Former public servants should not be appointed to the board. There is a suggestion that a member of the government who is about to retire may be offered a position as a director of the State Bank of Victoria. If that were to occur, it would not be in the best interests of the people of Victoria.

One of the amendments foreshadowed by the honourable member for Brighton deals with the application of the Freedom of Information Act to statutory corporations and the provision in the Bill that would deny the application of freedom of information to the activities of the State Bank.

The Liberal Party agrees with the freeing-up of the State Bank. But the reality is that the bank remains a statutory corporation and should be subject to the provisions of the Freedom of Information Act. That Act provides for protection of the commercial arrangements of a statutory authority. The Liberal Party would not seek to deny that protection to the State Bank. The bank remains in the public sector and it should be subject to the Freedom of Information Act. It is intolerable that the Bill, which supposedly regulates a public sector body, seeks to remove that body from the scrutiny of the Freedom of Information Act. I support strongly the proposed amendment of the honourable member for Brighton on that subject.

I question strongly some of the lending policies of the State Bank of Victoria. I do so not because of the policies of the bank itself, but because of the policies of its wholly owned subsidiary, a merchant bank called Tricontinental Corporation Ltd, to which the honourable member for Doncaster referred.

I have had drawn to my attention some very disreputable examples of Tricontinental Corporation Ltd funding less than satisfactory loan arrangements. I refer honourable members to a book entitled *Burke's Shambles* which is available as a general publication. The book describes some questionable transactions by the Burke Labor government in Western Australia. A particular example describes the situation where a brickworks was to be set up by one of the lackeys of the Labor Party in Western Australia. To establish that brickworks, the lackey had to compete with Midland Brick Pty Ltd in Western Australia. The deal was the subject of two Parliamentary inquiries in Western Australia.

If one examines the transcripts of evidence from those inquiries and reads sections of the book, it is obvious that a clear political motive was involved in the setting up of the brickworks. When one reads page 198 of the book, *Burke's Shambles,* one discovers that the finance to set up the brickworks to compete with Midland Brick Pty Ltd came from the State Bank of Victoria's wholly owned subsidiary, Tricontinental Corporation Ltd.

A Mr Ellett, who many in Western Australia would say is a remarkably unsavoury character, was urged on by the Burke Labor government to become involved in the establishment of the brickworks, which was to cost $30 million. Land was sold to Mr Ellett at a cost below the Valuer-General's valuation. If honourable members want a land scandal, there is one in Western Australia!

When one reads part of the evidence given to the Parliamentary inquiries, at page 198, one discovers that Tricontinental Corporation Ltd was prepared to provide the finance to enable Mr Ellett to construct the $30 million brickworks. I would urge any honourable member who wants to discover the sorts of deals done by big business wheeler-dealers to read the book. Political intrigues in another State can involve statutory corporations and their subsidiary companies in Victoria.

I place on record my serious concerns about the lending policies of Tricontinental Corporation Ltd and from whom it receives its instructions. It may be a Premier-to-Premier arrangement for all I know. The facts are that the Premier of Western Australia retired in disgrace as Ambassador to Ireland after scandals connected with that corporation were released.

The scandals are many and varied. I raise only the ones relating to Tricontinental Corporation Ltd. Questions must be asked because it is obvious the $30 million loan was a risky venture when one considers the expertise and the backing of Mr Ellett and his Labor Party colleagues in Western Australia and what they were trying to achieve.

The Bill is not perfect. It requires amendment along the lines suggested by the honourable member for Brighton. Without those amendments, the people of Victoria will have no protection either by audit or through freedom of information. The Liberal Party has clearly indicated its support for the Bill with amendments, and I support the comments made by my colleague, the honourable member for Brighton.

Mr JOLLY (Treasurer)—Honourable members who have contributed to the debate have recognised that the Bill is an important development for the State Bank of Victoria. I agree with the Leader of the National Party that prior to the Cain government coming to power the State Bank was shackled by requirements imposed upon it by the Liberal government at that time. As the Leader of the National Party said, the Liberal Party made some minor changes to the operation of the State Bank but it is obvious that the strong growth that has occurred in the bank's activities from 1981 to 1987 has shown that the action taken by the Cain government has been extremely important in its growth in asset level and its lending program.

This view has been confirmed by the exhibits placed before the House by the honourable member for Brighton. He produced statistical data which showed that on 30 June 1981 the total assets of the State Bank were $4987 million. By 30 June 1987 that had increased dramatically to $13 844 million. That is a clear illustration of the improvement of the bank's asset base under the Cain government.

I also refer to data produced by the honourable member for Brighton which show the large increase in the value of housing loans by the State Bank between December 1981 and December 1987. The honourable member for Brighton highlighted the decline in housing loans as a percentage of assets. However, when that is converted into total value of loans for housing by the State Bank, it shows an enormous growth figure. In 1981 the value of housing loans stood at $2289 million. By 1987 the figure had increased to $5565 million. In other words, in that short period the increase in percentage terms was 143 per cent. It is crystal clear from those figures supplied by the honourable member for Brighton tonight that not only has a dramatic improvement in the asset base of the State Bank occurred over the past six years but also a dramatic increase in the value of housing loans in a short period.

The government obviously has not supported the outmoded Liberal view that the State Bank should be shackled by legislative requirement. The honourable member for Brighton

has today attempted to introduce two more restrictions on the State Bank which would undermine its competitive position. The honourable member for Brighton does not want the State Bank to be exempt from the provisions of the Freedom of Information Act. Honourable members will be aware that no other bank must fulfil those requirements. If the Liberal Party amendment were successful, the State Bank would be placed at a competitive disadvantage. That point has been strongly made by the Chairman of the State Bank and is supported by me.

It is ridiculous for the Liberal Party to decide that the Auditor-General should have a role in auditing the accounts of the State Bank. That is different from the situation that exists at the moment and, as honourable members are aware, the Auditor-General's audit is different in nature from a commercial audit that takes place in the private sector. These are two insidious forms by which the Liberal Party is trying to undermine the competitive performance of the bank.

I was quite amazed at the obsession with Tricontinental Corporation Ltd of a number of Liberal Party members in this debate who seem to regard the company as evil. In fact, it is one of Australia's leading merchant banks. It has an outstanding record in Victoria and its chief executive, Mr Ian Johns, has been recognised as the chief executive of the year throughout authorities across the nation. In those circumstances, it was somewhat surprising to hear the vehement attack on the operations of Tricontinental Corporation Ltd.

I make it clear that Tricontinental Corporation Ltd operates at arm's length from the government. Its transactions are made on a commercial basis by its management and board of directors, not by the government. One of the contributors to the debate implied that the government had somehow interfered in a specific decision. I want to remove any doubt about that matter.

The honourable member for Brighton has foreshadowed a number of amendments the Opposition will move during the Committee stage. He made reference to the so-called bogus privatisation. It is absolute nonsense to suggest that Crown organisations holding shares in the State Bank amounts to bogus privatisation. That is not privatisation; it is a mechanism that enables the equity base of the State Bank to be increased without endangering the bank's status. Obviously no honourable member would seek to endanger the bank's status under the Constitution. However, if one were to move beyond the point that is suggested by the government in the Bill, that is what it would lead to.

In summary, the Bill is an extremely important development for the State Bank of Victoria. It has the unanimous support of the board of the State Bank and it will ensure that the bank operates within the framework of the most modern banking legislation. It will also ensure that the people of Victoria continue to gain enormous benefit from the State Bank of Victoria.

The motion was agreed to.

The Bill was read a second time and committed.

Clause 1 was agreed to.

Clause 2

Mr STOCKDALE (Brighton)—I move:

1. Clause 2, line 7, omit "or days".

The simple purpose of the amendment is to ensure that the amendments to be moved by the Opposition are protected and that all the provisions in the Bill come into effect on the same day.

Mr ROSS-EDWARDS (Leader of the National Party)—I suggest to the Treasurer, as I did earlier tonight, that progress be reported. The amendments have come into the hands of honourable members only within the hour. The Treasurer and representatives of the

opposition parties should discuss any proposed amendments and agree on their course before the debate. The debate can take place tomorrow if that course is adopted.

If the government does not agree to report progress, the National Party will support the amendment moved by the honourable member for Brighton. The Treasurer has only just received a copy of the amendments; I doubt whether he has read them. I am not a bit impressed with the way the business of the House has been conducted at this time.

Mr JOLLY (Treasurer)—In view of the comments of the Leader of the National Party and the fact that members of the government and the National Party have not had the opportunity of examining in detail the amendments to be proposed by the honourable member for Brighton because they have been available for only a short period, I am prepared to accept that progress be reported and debate be resumed as soon as possible.

Progress was reported.

RACING (AMENDMENT) BILL

This Bill was received from the Council and, on the motion of Mr TREZISE (Minister for Sport and Recreation), was read a first time.

CANCER (AMENDMENT) BILL

This Bill was received from the Council and, on the motion of Mr ROPER (Minister for Planning and Environment), was read a first time.

CRIMES (COMPUTERS) BILL

This Bill was received from the Council and, on the motion of Mr McCUTCHEON (Attorney-General), was read a first time.

ACCIDENT COMPENSATION (DISCLOSURE OF INFORMATION) BILL

The debate (adjourned from March 10) on the motion of Mr Jolly (Treasurer) for the second reading of this Bill was resumed.

Mr GUDE (Hawthorn)—This is a small but significant Bill in that it validates the statements that have been made before the committee of inquiry into WorkCare, which was established as a result of pressure by the Liberal Party and which was agreed to by the government and eventually by the Accident Compensation Commission.

After the committee of inquiry was established, a situation developed in which the Managing Director of the Accident Compensation Commission, Mr Markley, considered he was constrained in statements he was able to make before that committee because of the disclosure provisions of the existing legislation. It is important at this time to refer to the history of the legislation.

The original legislation was introduced at a time when the government had temporary control of both Houses of Parliament prior to the Nunawading Province re-election. It is not a secret that the Bill was rushed through faster than the Treasurer would have preferred, to take advantage of that situation. I understand why he took advantage of that temporary occurrence, but the people of Victoria have paid a heavy prive since then. I shall not go over the criticisms the Opposition has of WorkCare, which have been publicly stated in this House and in the general public arena on other occasions, as another Bill that is due to come before the House will offer that opportunity.

The original Bill was amended on two occasions and, as recently as just prior to Christmas, certain changes were made to the reporting procedures available to the Accident Compensation Commission and the Victorian Accident Rehabilitation Council. At that

time the government again failed to pick up the ball and to put into place all of the things that it needed to have in place to enable proper reporting to take place. The government is again seeking to amend the legislation with respect to published statistical and explanatory information on the accident compensation scheme.

It is being done in a responsible way to protect the identification of a person who might be in receipt of compensation. The Opposition supports that position, and will not oppose the Bill.

The Opposition was disappointed that, initially, Mr Markley, the Managing Director of the Accident Compensation Commission, seemed to be seeking to hide behind the provisions of existing legislation rather than coming forward. However, that position was quickly corrected by the Treasurer who, to his credit, made it clear that representatives of the Accident Compensation Commission should appear before and present information to the WorkCare Committee, which they have done. The Treasurer promised to introduce the proposed legislation to validate any presentation to the committee. At that time I gave a commitment that the Bill would be supported. The Bill is now before the House and the Opposition supports it.

The ancillary provisions of the Bill, especially those in clause 6, which provides for the publication of statistical and explanatory information, require minor amendments. The Opposition will propose amendments to require the Treasurer to report quarterly to Parliament giving brief details of requests granted or refused, showing the name of the applicant, the date of the application and an outline of the request, without going into all of the details. That is a sensible procedure to be adopted. Parliament is seeking to overcome the deficiencies of a scheme which is currently losing approximately $18 million a week and which has unfunded liabilities of approximately $3000 million.

In its quest to arrest the losses of the scheme, the government has a responsibility to unions, employers and previous insurers to report regularly regarding the financial management of the scheme. That requirement was dealt with last year in an amending Bill, and the Opposition is now seeking that explanatory statistical information be made available in broad detail to Parliament on a quarterly basis.

The Opposition supports the Bill and wishes it a speedy passage through Parliament. I look forward to dealing with proposed amendments at the appropriate time.

Mr McNAMARA (Benalla)—The Bill amends the Accident Compensation Act and clarifies the provisions relating to the disclosure of information and documents regarding WorkCare. Members of the Parliamentary WorkCare Committee are currently inquiring into the operation of WorkCare. During the initial hearings last year, questions were raised as to whether officers, directors and staff of the Accident Compensation Commission could answer certain questions, provide evidence and documents and so on.

As a result of those concerns, the government has introduced this Bill which clearly indicates that directors, staff and agencies of WorkCare can provide information to the Parliamentary committee. The Bill includes proposals to publish statistics and explanatory information relating to WorkCare, provided that it does not enable identification of individual persons. It also contains provisions regarding secrecy.

The Bill provides that those organisations to whom documents may be produced or to whom information may be divulged or communicated would also include committees of Parliament or any person or body approved by the Governor in Council.

It is extremely important that that additional power is granted to the Parliamentary committee investigating WorkCare. To properly elicit the facts, the committee needs the full cooperation of the relevant officers.

WorkCare is rapidly becoming the major millstone around the government's neck with accumulated unfunded liabilities of something approaching $3000 million after only a two-year operating period. It is obvious that urgent action must be taken to reassess the

way in which WorkCare is administered and provision must be made to ensure that fraud does not occur again.

The National Party supports the Bill because it will help to elicit further information to ensure that all Victorians will be made fully aware of the many deficiencies in administration that currently exist under WorkCare.

The motion was agreed to.

The Bill was read a second time and committed.

Clauses 1 to 5 were agreed to.

Clause 6

Mr GUDE (Hawthorn)—I move:

1. Clause 6, after line 10 insert:

'( ) After section 178 (2) of the Principal Act insert—

"(3) The Minister must cause a report of requests for approval of persons or bodies under sub-section (2) (*c*) (vi) containing, in respect of each request—

(*a*) the name of the person sought to be approved; and

(*b*) the reason for the request; and

(*c*) the date the request was made; and

(*d*) whether the request was approved or refused—

to be laid before the Legislative Council and the Legislative Assembly before the expiration of the fourteenth sitting day of the Legislative Council or the Legislative Assembly, as the case may be, after each 31 March, 30 June, 30 September and 31 December." '.

2. Clause 6, after line 14 insert:

'( ) After section 243 (2) of the Principal Act insert—

"(3) The Minister must cause a report of requests for approval of persons or bodies under sub-section (2) (*c*) (viii) containing, in respect of each request—

(*a*) the name of the person sought to be approved; and

(*b*) the reason for the request; and

(*c*) the date the request was made; and

(*d*) whether the request was approved or refused—

to be laid before the Legislative Council and the Legislative Assembly before the expiration of the fourteenth sitting day of the Legislative Council or the Legislative Assembly, as the case may be, after each 31 March, 30 June, 30 September and 31 December." '.

3. Clause 6, after line 18 insert:

'( ) After section 244 (2) of the Principal Act insert—

"(3) The Minister must cause a report of requests for approval of persons or bodies under sub-section (2) (*c*) (x) containing, in respect of each request—

(*a*) the name of the person sought to be approved; and

(*b*) the reason for the request; and

(*c*) the date the request was made; and

(*d*) whether the request was approved or refused—

to be laid before the Legislative Council and the Legislative Assembly before the expiration of the fourteenth sitting day of the Legislative Council or the Legislative Assembly, as the case may be, after each 31 March, 30 June, 30 September and 31 December." '.

The purpose of the amendments is to ensure that the people who have a specific interest in what is going on with workers compensation have full knowledge of information provided to the broader community.

The basis for introducing the Bill was to ensure that statistical information was made available to the community while protecting people who may be in receipt of WorkCare benefits. The Opposition believes the insurance industry, employers and trade unions representing the interests of people in the workplace would like, from time to time, to gain access to material put together by the Accident Compensation Commission and other agencies involved in the WorkCare scheme. For that reason, the Opposition seeks to ensure that the information made available is published stating the name of the person or organisation seeking the information, the reason, in general detail, for the request and whether the request was approved or refused.

The Opposition requests that the information be laid before the Legislative Council and the Legislative Assembly before the expiration of the fourteenth sitting day of the Council and the Assembly, as the case may be, after 31 March, 30 June, 30 September, and 31 December.

I commend the amendments to the House.

Mr JOLLY (Treasurer)—I am not prepared to accept the amendments put by the honourable member for Hawthorn, at least at this stage. As he knows, the first time I became aware of the amendments was tonight. Obviously I have not had the opportunity of analysing their full implications.

Prima facie, two matters are of concern: firstly, in respect of the protection of the individual requesting information, certainly I would want to be satisfied that the person requesting the information could not be subject to mistreatment as a result of the request being published; secondly, I would be concerned to ensure that the time and resources involved in preparing such information would not lead to a misallocation of resources by the organisations concerned. I should like to examine that matter.

I give the honourable member for Hawthorn an undertaking that the government will have the amendment examined by the Accident Compensation Commission so that the matter can be further considered by me between now and when the Bill passes through the other place.

Mr GUDE (Hawthorn)—On the basis of the undertaking given by the Treasurer, the Opposition will not call for a division on the issue. The Opposition has strong opinions on this subject.

The first point made by the Minister is valid; it relates to the prospective need to protect the name of an individual making an application. It does not apply in the case of an organisation; it should not wish to hide its identification. An individual or an employee who is making an application for information in certain circumstances may require the protection. Under those circumstances it ought to be possible with goodwill—and I am sure there is goodwill between the Treasurer and the Opposition—to restructure the amendments in a way that encompasses that provision.

As to the question of resources, the situation is a little like the pot calling the kettle black when the scheme is losing $18 million a week and has lost in excess of $3 billion in less than three years. I should have thought that it was hardly a matter that the Treasurer would want to be screaming about from the rooftops, or from the floor of Parliament, for that matter.

No-one is more concerned about the waste of State resources than the State Opposition. One of the reasons the Opposition has pursued this ill-structured, ill-conceived and ill-fated WorkCare scheme is its deep-seated concern at the massive waste and neglect that has occurred in WorkCare.

Mr Jolly—That is getting away from the point.

Mr GUDE—I am being kind to the Treasurer. With respect to containing costs, nobody is more concerned than the Opposition.

Mr McNamara—That is why there is an inquiry!

Mr GUDE—Yes, as the honourable member for Benalla says, that is why there is an inquiry. The Opposition will be pursuing that matter at another time. There will be other business before the House to enable the Opposition to debate those issues separately and more appropriately. I trust that the Treasurer will be able to assist in some finetuning of the amendments because the Opposition is quite clear in its commitment to ensure that the community generally is more aware of what is occurring in the WorkCare system with respect to financial disclosures and other matters that have an impact upon the well-being not only of the scheme but also of the finances of the State.

The way the State debt is running, and because of the impact of WorkCare upon it, it would be a very poor government and, indeed, a poor Opposition for that matter, that did not want to ensure that every possible means of access was given to information to enable corrective measures to be taken quickly to ensure that the scheme eventually returns to the tracks.

Mr McNAMARA (Benalla)—The National Party finds it hard to accept the comment made by the Treasurer about his concern over the cost of providing information to the public on a scheme that appears to be so widely rorted that it has created an uproar not only among members of Parliament but also in the media. That is something which cannot be hung out legitimately as an excuse for not providing the information. As the honourable member for Hawthorn quite correctly stated, the scheme is losing millions of dollars a day, and approximately $3 billion has been lost in less than three years. Something has to be done quickly to try to arrest that waste. Even as a small measure, what is proposed by the Opposition will ensure that some financial accountability is brought to bear on the whole scheme. Any investment in that way should be well rewarded.

The point made about an individual retaining anonymity could be resolved. It is important to know exactly who is making the inquiries and whether those requests are being met. Members of Parliament want that information because suggestions have been made by a number of organisations that have been making requests for information to the commission, but have not been receiving it. That is why the Opposition is proposing the amendments.

If the Treasurer can sit back and smile while WorkCare continues to lose billions of dollars but is not prepared to spend a few miserable cents on providing information to the public, I do not think he is fit to administer the finances of the State.

The amendments were negatived, and the clause was agreed to.

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

ADJOURNMENT

Country harness racing clubs—Security at Geelong Prison—Reinstatement of regional officers—Road Traffic Authority services in Murray Valley electorate—Health insurance refunds—Toxic waste treatment plant at Mount Kororoit—Roads in Wantirna electorate

Mr FORDHAM (Minister for Industry, Technology and Resources)—I move:

That the House do now adjourn.

Mr AUSTIN (Ripon)—The problem I wish to raise for the attention of the Minister for Sport and Recreation concerns the harness racing industry. As honourable members would be aware, two statutory bodies constitute the metropolitan and country harness racing organisations, which is associated more with the city than the country, and the association covering country clubs.

Over recent weeks considerable dissatisfaction has been expressed over the distribution of moneys. Apparently smaller harness racing clubs receive a bigger slice of the cake than

the larger clubs; therefore, the larger clubs have suggested that they ought to have two votes to one. In other words, clubs that have more than ten meetings a year believe they should have two votes to the one vote of smaller clubs.

When one considers the make-up of the country clubs one finds that 26 harness racing clubs are involved, eight of which consider themselves to be in the bigger category. If those eight clubs broke away and were given two votes each, the breakdown would be eighteen votes for the smaller clubs and sixteen for the bigger clubs. The eight clubs concerned are at Ballarat, Geelong, Bendigo, Cranbourne, Traralgon, Yarra Glen, and Kilmore.

Those clubs wish to form another association known as the Provincial Harness Racing Association. They have asked the Harness Racing Board for approval to form that association. If they received that approval the harness racing industry in the country would be placed in an unfortunate situation. I ask the Minister to intervene to ensure that a decision on this request is deferred so that when action is taken it will not be too late. Further discussion should take place and that can occur only with the intervention of the Minister.

If a split occurs in the industry, it will have long-term, detrimental consequences. The clubs of Maryborough, Stawell and St Arnaud are in the Ripon electorate and they would be placed in the smaller country club category. They wish to remain with the association of country clubs, which is a strong body, and do not want the larger clubs to break away.

Mr SHELL (Geelong)—I raise with the Minister responsible for corrections the matter of prison security, especially in the Geelong area. Mr Speaker would be well aware that this morning two prisoners escaped from Geelong Prison. That was unfortunate but, due to the prompt action of warders, the citizens of Geelong, and a security firm, the prisoners were recaptured within an hour and a half of their escape.

The Geelong Prison was established in approximately 1852. It is a bluestone building with obsolete facilities for prisoners. In the past, security at the prison has been inadequate but, in recent times, it has been upgraded and no longer is the security as ineffective as it used to be. The prison has a tailoring shop where prisoners are able to make jeans and other prison clothing. It also provides an educational facility that allows prisoners to become more worthy citizens and so prepares them for when they are released. The prison has also encouraged community activity in its grounds.

I remember visiting the prison well before I was elected a member of this place. As a member of the Young Men's Christian Association I participated in volleyball and basketball matches with the inmates. They usually thrashed us as they spent more time practising.

The Barwon Training Centre at Lara is being built to replace the Geelong Prison. Not only will the centre accommodate prisoners but it will also be a training ground for warders. I ask the Minister to consider the continual upgrading of security at prisons.

Mr I. W. SMITH (Polwarth)—I raise with the Minister at the table, the Minister for Sport and Recreation, a matter for the attention of the Minister for Agriculture and Rural Affairs in another place. This was brought to my attention by the Colac Herd Improvement Co-operative Ltd, which wrote to me on 23 March over the signature of Gerard Moloney, its manager/secretary. The cooperative was complaining about five officers at the Colac office of the Department of Agriculture and Rural Affairs and two officers in Camperdown who were vitally connected with the business of promoting herd improvement in the dairy industry. The officers were either retired or had been transferred elsewhere.

This prompted further inquiries into what was happening in the department in the area I represent and I just happened to receive an anonymous memorandum which is over the signature of the regional manager for the south-west region, Mr Muir. The memorandum is dated 21 March and was sent to all regional managers in the south-west region. It reveals an alarming state of affairs—30 per cent of extension officers in the western area have disappeared in the past eighteen months.

Because of this set of circumstances, the department has to privatise many of the activities it previously undertook. They range from matters such as household and home gardening inquiries to hobby farm inquiries, requests for soil or water analysis, requests for fertiliser recipes, requests for pasture sowing recipes, requests for chemical control of pests and weeds, sheep selection, and designs for shared yards and fences. Those services were previously undertaken by the department for the farming community, but must now be referred to private enterprise sources at a cost to the farming community.

To add insult to injury, Mr Muir asked that the regional managers comment to him over a ten-day period, much of which was consumed by Easter, and to finalise their comments by 31 March 1988. He added that the instructions to discontinue those services by the Department of Agriculture and Rural Affairs would be effective from 1 July 1988 and that regional managers were to inform the public of the south-west region "by local media release, letters to all Victorian Farmers Federation and United Dairyfarmers of Victoria branches and *Rural Quarterly*".

When that was publicly discussed last week in the electorate I represent, the response from a spokesperson from the Minister's office refuted some of the claims. I have a memorandum over the signature of Bruce Muir, the regional manager for the south-west region stationed in Ballarat; that means the spokesperson for the Minister was misleading the community with that information.

The important aspect is that if the government intends privatising some of the services of the department, it needs to discuss carefully the services it proposes to privatise with the agricultural community, especially in the case of herd improvement. The government should rapidly reinstate some of the officers or all seven of them; otherwise valuable herd improvement programs will fall into disarray and disrepute to the detriment of the dairy industry. The matter needs the urgent attention of the Minister.

Mr JASPER (Murray Valley)—I direct a matter to the attention of the Minister for Sport and Recreation, who is at the table, in the absence of the Minister for Police and Emergency Services, and, indirectly, to the attention of the Minister for Transport. It concerns an experiment being undertaken by the Road Traffic Authority, together with a number of police stations in the western part of the Murray Valley electorate, where police stations no longer provide Road Traffic Authority services, such services being centralised at one specific police station.

The experiment commenced on 1 February 1988 and runs to 30 April 1988. The Katamatite police station will provide Road Traffic Authority facilities for registration of motor vehicles, issuing of drivers' licences and other services normally provided at a number of police stations in Victoria. The police stations not providing that service at present are at Cobram, Nathalia, Dookie, St James, Tungamah and Numurkah. A number of my constituents residing in those areas have stated that it is inconvenient for them to travel to Katamatite for the provision of Road Traffic Authority services.

Late last year the Ministry for Police and Emergency Services, together with the Road Traffic Authority, decided to try out this experiment by no longer providing the services in the areas I mentioned and centralising them at the Katamatite police station. Following extensive representations by municipalites and other interested parties, the Ministry and the authority decided not to proceed with the trial of centralised services being provided at the one police station. However, later they further discussed the issue and decided to trial the proposal for three months.

Although the proposal will allow police to better deliver their normal police duties, which is the main reason for reducing services and having the trial at a centralised location, the procedure has resulted in an inconvenience to people in other centres who do not have access to services formerly provided on a decentralised basis.

The Minister for Police and Emergency Services and the Minister for Transport should consider the impact the removal of these services has on people living in those areas

because these services have been provided for a long period. I ask the Minister for Sport and Recreation to pass on to the Minister for Police and Emergency Services the concern of people residing in the areas of Cobram, Nathalia, Dookie, St James, Tungamah and Numurkah who are not receiving these registration services and so on. Although there may be some short-term advantages in the release of police for specific normal police duties, I want the Road Traffic Authority services to continue on a decentralised basis.

A new police station is being constructed at Cobram and funds that have been collected at that centre amount to some $400 000 a year. I believe that amount justifies not only the continuation of the provision of these services but also the appointment of a Road Traffic Authority officer. Appointment of such an officer at Nurmurkah should also be considered. I ask that the normal Road Traffic Authority services formerly provided at police stations in the western part of the Murray Valley electorate be continued.

Mr SHEEHAN (Ballarat South)—I raise a matter for the attention of the Treasurer, who is the representative in this House of the Minister for Health. A Mrs Jenny Palmer has raised with me concerns about the health insurance industry, particularly the various refunds paid by different insurance companies for basically the same premiums.

Mrs Palmer believes a major injustice has occurred because of the classification system. She points out that the people who take part in insurance companies' schemes expect that for a high premium they will receive top quality accommodation and treatment. The general advice given at the time insurance is taken out is that people will receive such accommodation and treatment. Although such advice is given, the general understanding of people is perhaps not as clear as it should be because they are not aware of what illness, accident or surgery might befall them.

The implications of various classifications, namely, medical, special medical and surgical, for people involved in medical insurance are not fully understood, particularly as they relate to different health funds.

Mrs Palmer suggests that people who support these insurance companies generally want the end product and do not examine other aspects of the industry in which insurance companies become involved. The extracurricular activities of building reserves and other interest schemes are not relevant to people who join these funds solely for the purpose of taking out health insurance.

Mrs Palmer contends that these activities detract from the prime purpose of insurance companies to provide health care. In the various health funds she brought to my attention there was obviously a significant gap between the refund paid and the cost of the service that might be provided by a hospital. In some instances it would not be unusual to be refunded $90 a day. She mentioned Medibank Private and Health Australia as two companies that pay what is expected and what they say they will pay. There are certain ramifications for private hospitals in that many must write off the gaps which occur between the refund paid by the insurance company and the charge made by the hospital. If that is not written off by the hospital, the patient paying the high premium is disadvantaged.

A further problem also occurs because any withdrawal of membership would place pressure on the public hospital system. An issue being debated in the industry at present involves the withdrawal of the regulation relating to pre-existing ailments. If the withdrawal were permitted, it would create a levelling out of premiums but it would also allow some companies which have been around longer than the two companies I mentioned to divest themselves of the people who are paying what they believe to be the top insurance premium and, therefore, the people who expect to receive the top treatment.

The SPEAKER—Order! The honourable member's time has expired.

Mr REYNOLDS (Gisborne)—I raise for the attention of the Minister for Water Resources the government's plan to establish a toxic waste treatment plant at Mount Kororoit in the Gisborne electorate.

I realise this totally inappropriate proposal is in the planning stage and that objections to the proposal have been lodged. The closing date for those objections has been reached, but, because of amendments to the Planning and Environment Act, each of the objectors has to be contacted to ensure that the objections apply under the new Act. I want the Minister for Water Resources to assure me that all those objections that have been lodged under the provisions of the previous Act are still valid and will be considered under the provisions of the new Act.

To add more confusion to this matter, bitter factional fighting has broken out within the government's ranks. The government is obviously deeply divided over the issue. An article has appeared in the *Sun* newspaper stating that the honourable member for Derrimut has said that he expects nine members of his factional group to support him in opposing the $11·2 million toxic waste treatment plant at Diggers Rest. The term "toxic waste" is not a term that I use.

The Sunbury branch of the Australian Labor Party is also opposed to the proposed plant. The local paper, the *Regional News,* reports that the branch has called on local politicians to put pressure on the appropriate Ministers to reverse the government's ill-considered decision. The Australian Labor Party's Burke consultative committee also opposes the proposed plan, as does the local branch of the Australian Labor Party in Melton.

It is obvious the Labor Party is deeply divided over the construction of the proposed plant because of the stance taken by the honourable member for Derrimut. No one is in favour of the proposal. It is planning lunacy at its best for the government to press for the construction of the plant.

The government has backed off from the construction of the Brunswick–Richmond powerline, firearms legislation, and the sale of railway land. It is about time for the government to back off from this ill-considered proposal. If the government does change its mind on the proposal a considerable sum of money will be saved. The government will save money by not having to convene a tribunal, and that saving can be passed on to the community.

I ask the Minister to ensure that the government does back off so that the proposal is put to bed forever. The alternative is to have private operators operate the waste plant, as was recently recommended by the honourable member for Dandenong, who said that private operators could operate a waste treatment plant in his electorate. Private operators can operate throughout Victoria more efficiently than can the Melbourne and Metropolitan Board of Works.

Mrs HIRSH (Wantirna)—I raise a matter for the attention of the Minister for Transport in another place, and I ask the Minister for Sport and Recreation to pass it on to him. It refers to the important issue of roads in the electorate of Wantirna.

For twenty years through the sixties and seventies housing and industrial development were allowed to occur alongside what were virtually country roads. As the population grew and industry developed in the area, the development of the roads did not keep pace with the increasing population and industrial development. The heavy transport vehicles that used the local roads caused considerable damage. Under successive Liberal governments little planning occurred, and it was not until the Labor government came to office that I was able to make representations on behalf of the people of Wantirna, and on behalf of industry and commerce in the electorate, to have the roads improved.

During the past three years I have raised this important matter with the Minister many times, and this has resulted in many improvements to the road system in my electorate. Many duplication works have been commenced or are in the planning stage, and major arterial roads now pass through the electorate of Wantirna. Ferntree Gully Road was once an extraordinarily dangerous road, but recent works have developed that road into a four-to-six-lane carriageway. It is hoped that the project will be completed in the next financial

year. A bridge spanning the Dandenong Creek along Ferntree Gully Road is nearing completion and I hope it will be finalised within the next few months.

The Wantirna–Sassafras road has been improved to the extent that it is now a six-lane road in Bayswater, and the duplication works are well under way. The Boronia Road duplication is also well under way, and it is hoped that funds will be made available to complete those works. A high priority has been given to ensure that the duplication work is completed as soon as posible, so that people can travel safely to and from the outer eastern area of Melbourne.

The extension work on High Street Road is another important project. That extension should have occurred almost ten years ago, but it is now progressing satisfactorily. I urge the Minister to give careful consideration to these important roadworks within the electorate of Wantirna so that housing, industry, and commerce can develop rapidly. Access to good quality roads is important for the people of Wantirna and ultimately will provide a better quality of life.

Mr TREZISE (Minister for Sport and Recreation)—The honourable member for Ripon raised an issue concerning country harness racing clubs and the larger clubs that call themselves provincial owners' clubs. The issue relates to the 26 minor harness racing clubs in the country which were concerned with the allocation of racing days by the Harness Racing Board.

I trust the matter will not result in any flaws in the success story of the harness racing code. I know the Harness Racing Board is speaking to both the bodies concerned to try to sort out the differences between them. I shall request a report from the board at the earliest possible opportunity. I assure the honourable member for Ripon that no immediate action will be taken that may lead to a split in the country racing clubs. I shall obtain the report and pass it on to the honourable member as soon as I can.

The honourable member for Geelong raised an issue for the attention of the Minister for Police and Emergency Services about the alleged lack of security at the Geelong Prison. The honourable member for Murray Valley also raised a matter for the attention of the Minister for Police and Emergency Services.

The honourable member for Ballarat South raised a matter for the attention of the Minister for Health. The honourable member for Polwarth raised a matter for the attention of the Minister for Agriculture and Rural Affairs. The honourable member for Gisborne raised a matter for the attention of my colleague, the Minister for Water Resources, who is set to leave a little early tonight, but I shall raise it with him. The honourable member for Wantirna raised a matter for the attention of the Minister for Transport. I am pleased to see the honourable member back in this Chamber after her bout of ill health.

I shall raise the matters with the responsible Ministers and endeavour to obtain early replies.

The motion was agreed to.

The House adjourned at 11.32 *p.m.*

Wednesday, 13 April 1988

The SPEAKER (the Hon. C. T. Edmunds) took the chair at 2.4 p.m. and read the prayer.

QUESTIONS WITHOUT NOTICE

FIREARMS CONTROL

Mr COOPER (Mornington)—In view of previous instructions of the Minister for Police and Emergency Services to firearms owners, such as his statement on 29 January in which he advised shooters to join fair dinkum clubs and be fair dinkum members of gun clubs to ensure that they get shooters' licences, and his backflip on the radio this morning where he denied giving such advice, will he now admit the government's responsibility to compensate gun owners for the financial costs incurred in joining such clubs?

Mr CRABB (Minister for Police and Emergency Services)—If that is the first question from the Opposition, heaven knows what the rest of the questions will be like!

I should have thought whatever the circumstances are that both the Opposition and the government would want to encourage shooters to join fair dinkum gun clubs. I continue to believe that should be the situation. The position I took was, as I explained publicly and earlier in the House, to indicate to people that merely paying a $25 subscription to a magazine does not change anyone's status in any shape or form whatever, and if anybody did that, then that is their affair and not mine.

I still believe it would be good for our society if genuine sporting shooters' clubs were to recruit genuine shooters. We would have a much safer society. I am disappointed that the Liberal Party and the National Party have not agreed with me on that point.

ADVERTISING OF GOVERNMENT FIREARMS POLICY

Mr ROSS-EDWARDS (Leader of the National Party)—I refer to the Minister for Police and Emergency Services the sum of approximately $500 000 that was spent on advertising the government's policy on the firearms issue. Will the Minister give an undertaking that no further funds will be spent on advertising the government's amended policy?

Mr CRABB (Minister for Police and Emergency Services)—With the best will in the world the government has spent nothing like $500 000 in advertising. I assure the House—and I would have the support of every member in Parliament—that there will be an extensive program of education of the public and of shooters to ensure that everyone is aware of the true situation regarding the legislation that is passed, despite the lies and distortions that have been consistently spread throughout Victoria in recent months by both the gun lobby and the National Party.

TOURISM

Mr CULPIN (Broadmeadows)—Will the Premier advise the House of the outcome of representations made by the government to Qantas on Melbourne's role as a tourist destination?

Mr CAIN (Premier)—I understand the sensitivity of members of the Opposition on this issue. The government has ensured that tourism—not just through airlines—is a fast-growing industry in this State. That is something that the Liberal Party could not achieve in 27 years. As the Treasurer said yesterday, "You let us become a backwater." Tourism

is booming in this State, not by chance but because the government has worked hard to attract overseas and interstate tourists.

Honourable members interjecting.

The SPEAKER—Order! I ask the honourable member for Frankston South to cease holding a conversation in such a loud voice while a Minister is attempting to reply to a question. If the honourable member does not do so he will hear the rest of today's proceedings from a distance—outside the Chamber.

Mr CAIN—We have worked hard to attract overseas and interstate tourists—with great success. One aspect that should be noted is the success of festivals. There are a large number of them, such as the Spoleto Festival, which has become a great success. The Comedy Festival, in only its second year——

Honourable members interjecting.

Mr CAIN—I have not mentioned any particular ethnic group at this stage. I am simply saying that right across the board we are overwhelmed with success in tourism. I shall come to particular areas in a moment. The festivals are a great success, and I pay tribute to the Minister formerly responsible for tourism, the Minister for Industry, Technology and Resources.

Mr RICHARDSON (Forest Hill)—On a point of order, Mr Speaker, I direct to your attention the Standing Order relating to relevancy and your previous rulings on the matter of the relevancy of answers to questions without notice. The Premier was clearly asked to inform the House about negotiations with Qantas, but all he has been talking about is the Spoleto Festival, the Comedy Festival and a range of other matters; Qantas has not yet been mentioned. I ask you, Mr Speaker, to direct the Premier to come back to the question that was directed to him.

The SPEAKER—Order! The honourable member did not state to which Standing Order he was referring. I do not uphold the point of order.

Mr RICHARDSON—On a further point of order, Mr Speaker, in response to your ruling——

The SPEAKER—Order! If the honourable member wishes to make a personal explanation, there is another opportunity for him to do so. If he has another point of order, I shall hear him.

Mr Richardson—It is Standing Order No. 127.

Mr CAIN (Premier)—I was saying that the tourism industry is booming here and tourists are trying to get here in some way, and flying here is one means by which a large number of overseas tourists are coming here. The government has played an important role in the development of that tourism industry, which is now estimated to be making a contribution of around $4 billion to the Victorian economy.

Qantas, that well-known New South Wales airline, is at last getting the message and it is because of the success we have brought to this State. Qantas has decided to start weekly direct flights between Melbourne and the Japanese city of Nagoya; those flights begin this week.

Honourable members interjecting.

Mr CAIN—The shouting varies in direct proportion to the emptiness in the heads from which it comes. I should have thought that the shadow Minister for Transport would be interested in tourism matters. I should have thought even he, with his narrow focus, might have wanted to know something about tourism matters.

The future for tourism and the tourist industry is very good. I made reference earlier to the festivals that are becoming more important in Victoria. Next week the Pacific–Asia Travel Association's annual conference will be held in this State. There will be more than 1500 delegates attending, and that is a killing for Victoria, because they are the people who are influential in the travel industry and they are coming to our region.

The private sector is responding to the opportunities offered by tourism in Victoria. Some 2500 new hotel rooms will be available in the central business district by 1990. That is the kind of private sector involvement the government wants to see. It does not want to say to the private sector, "Run our social welfare agencies or run things that are being properly run by the State". This is the area where we want to see a vibrant, entrepreneurial private sector taking initiatives and investing in bricks and mortar and the whole range of worthwhile investments that service our tourist industry.

The government's efforts have also been directed into the entrepreneurial area. Events such as Bob Jane's stock-car racing at Calder Motor Raceway bring people to this State. The 500cc motorcycle championships will be contested in Victoria in April next year.

Qantas will come to this State when the business is here. That is the way that airline operates. It will not go out and get business for Victoria; it will go out and get it for anybody else! Qantas is coming here because the government has created opportunities for it. Part of our economic strategy was to build on our economic strength. Tourism was identified as a growth industry and that has brought people to Victoria, with the airline following. That is how tough it is in Victoria and it is why the Opposition failed; the government has to go out and make the first moves and then Qantas will follow. That is what has been done with tourism in Victoria.

Mr Brown interjected.

Mr CAIN—The Deputy Leader of the Opposition says, "You have done nothing." The $4 billion contributed by tourism to this State is a little more than nothing, in my book. The government will continue to pursue its policy. It is evident that people want to come to Victoria because of the good things we have done here, and there will be even more direct flights in the future as a result of what has been done.

FIREARMS CONTROL

Mr KENNETT (Leader of the Opposition)—I refer the Premier to his statement that the firearms control issue is a moral issue beyond politics and to his subsequent failure to pursue the issue. Are there any other moral issues of policy which are above politics and are vital to the government and which the Premier is also planning to abandon?

Mr CAIN (Premier)—Like the Minister for Police and Emergency Services, I am one who believes this society would be better served by there being fewer guns. I should have thought that that was a view commonly held right across this House.

Mr Williams—Why do you not go to the polls, then?

Honourable members interjecting.

Mr CAIN—It is a view I believe is held by the great majority of the people of this State. The government took what it believed to be appropriate action in the light of two things. The first was what was seen as emerging consensus right across the——

Honourable members interjecting.

Mr CAIN—If honourable members opposite find the unnecessary killing of people in this State a matter to joke about, I do not.

Honourable members interjecting.

Mr CAIN—The Leader of the Opposition couched a question in terms of moral issues. If members opposite think those issues funny and appropriate to be the butt of jokes, they can express their feelings.

Opposition backbenchers sit there and laugh and giggle because they do not have a sensible idea in their heads; most of the Opposition's front bench is the same. Opposition members have no capacity and their role in Parliament is one of derision. That is about all they are good for. That is all the Deputy Leader of the Opposition is good for. The Leader of the Opposition has already learnt his lesson; he is trying to sit there and shut up. I still say that the Honourable Alan Hunt is right!

At the Premiers Conference on 23 December 1987, clear evidence was given of the government's capacity to achieve a minimum base standard for uniform gun laws across the mainland States. I said on my return from that conference that Mr Ahern was a different proposition from Sir Joh Bjelke-Petersen. That was a lost cause about which Victoria could do nothing.

Honourable members interjecting.

Mr CAIN—The other States wanted a minimum standard. On 18 March, at the Australian Police Ministers Council, that consensus was achieved. It was a credit to the Minister for Police and Emergency Services that he was able to lead a move towards minimum standards for the mainland States.

On the day following that conference the New South Wales government was defeated. On the Monday, Mr Greiner said, "No go! We're out!" On the Tuesday, Mr Ahern said, "No go!" The whole national picture changed. The other change that occurred was that the Liberal Party initially indicated support in general terms for the government's intended gun law reform but it welshed on the deal between mid-January and mid-February.

Honourable members interjecting.

Mr CAIN—I understand the democratic process and I understand the necessity for legislation to be passed by both Houses of Parliament. It has been made very clear to me that this proposed legislation will not be passed by the Upper House. If opposition parties want to change their minds, they should tell me. As I am advised at the moment, the government cannot get the proposed legislation through the Upper House. If I am wrong about that, please tell me.

If I am right, the government intends to obtain what it believes is the best result for the people of this State: to try to reduce the number of firearms in Victoria and to ensure, so far as possible, that innocent people are given maximum protection from the misuse of firearms. That is and has always been my intention. I make no apologies for endeavouring to ensure that maximum protection is provided to the community.

Honourable members interjecting.

Mr CAIN—I understand the barrage of interjections. Never before during my time in Parliament have I heard honourable members interject continuously for 7 minutes. They obviously have a desire to ensure that I am not heard. They have talked and talked and mouthed inanities with the obvious intention that I should not be heard. I know why they are doing this. It is because they have pangs of conscience over their welshing on this issue. They said they would support the proposed law in December and then welshed in February because their country colleagues matched the National Party against them.

The National Party was played off against the Opposition. The National Party wants to go backwards. It wants to remove control on guns. For the Opposition to be considering getting into bed with the National Party on any issue is sheer nonsense.

Honourable members interjecting.

Mr CAIN—They do not want to hear it. The Opposition has the impudence to hold itself out as an alternative government in coalition with the National Party when the true

situation is that each party is utterly opposed to the other on the issue of guns, among other things. The metropolitan members of the Liberal Party will not have a bar of what the National Party wants on the gun issue. If the opposition parties were ever to form a coalition, they would be torn asunder on that issue alone, apart from others. The metropolitan members of the Liberal Party have some conscience and concern.

Mr Delzoppo—Wishful thinking!

Mr CAIN—Is it wishful thinking that metropolitan members of the Liberal Party have some conscience? I do not believe so. The interjection by the honourable member for Narracan tells me that the Liberal Party has big problems. Even the Leader of the Opposition is not supported by the majority of his members; the Leader of the Liberal Party does not enjoy the confidence of the majority of his members. He is seen as the Leader on a temporary basis.

The government has taken the proper stand on this issue.

Honourable members interjecting.

Mr CAIN—The rabble goes on; members of the Opposition do not want to hear. They ask questions about morality but do not want to hear the answers. Is it not always the same with conservatives? The government has done the right and proper thing, and will continue to do it.

The SPEAKER—Order! Yesterday I warned the honourable member for Mornington about disruptive interjections. I will not warn him again. If he interjects again I will take the necessary action to have him removed from the Chamber. I also warn the honourable member for Malvern that he is not at the football; he is in Parliament and I expect him to behave accordingly.

Mr HANN (Rodney)—Given that the Minister for Police and Emergency Services knew on Monday that the government would back down on the Firearms (Amendment) Bill (No. 2), will he now return to Melbourne University and tell the students what his policy on firearms really is?

Mr CRABB (Minister for Police and Emergency Services)—I should be delighted to debate this subject, or any other, with the honourable member for Rodney at Melbourne University any time the university is prepared to invite him. I shall win that debate too!

TENDERING OF WELFARE SERVICES

Mrs WILSON (Dandenong North)—Has the Minister for Community Services had examined proposals that welfare services will be put out to tender; if so, will he explain the results of his findings?

Mr MATHEWS (Minister for Community Services)—The proposal that welfare services in Victoria should be let out by tender to private companies is an example of monumental silliness notable even by the standards of the Leader of the Opposition, who produced it. It is an example of monumental stupidity because, where such a privatisation move is appropriate, it is already in place and was implemented on a minor scale even under the government in which the Leader of the Opposition served as a Minister.

More than half the funds available to Community Services Victoria are disbursed to organisations, such as the Brotherhood of St Laurence, the Yooralla Society of Victoria and the Spastic Society of Victoria Ltd, to the extent of $237 million a year from an overall budget of $508 million a year. To the extent that the Leader of the Opposition purported to bring forward a new policy regarding the voluntary welfare organisations in our community, he was simply revealing his abysmal ignorance of arrangements which are already in place, and which have been in place for many years.

Further, the honourable member proposed that welfare services should be put out to tender to private companies on the basis of the lowest possible cost.

Mr Brown interjected.

Mr MATHEWS—The honourable member for Gippsland West interjects; the honourable member was quoted directly in the *Geelong Advertiser* of Tuesday, 12 April 1988 where he is reported as having said:

> If a private company can continue to provide service at less cost then we will do so.

Mr BROWN (Gippsland West)—On a point of order, Mr Speaker, the Minister has purposely misled the House. The Minister, when challenged, clarified that he misled the House and, on that basis, I ask that his comments be withdrawn.

The SPEAKER—Order! The honourable member has taken a point of order when, in accordance with Parliamentary procedure, he should have made a personal explanation. I do not uphold the point of order.

Mr MATHEWS (Minister for Community Services)—The Leader of the Opposition's proposition that victims of drug trafficking, the intellectually disabled, the physically disabled, the poor, and other needy members of our community should be placed at the mercy of private companies for the services that they need on the basis of less cost—let me emphasise that: less cost—is a contemptible suggestion and one that is deeply offensive to any decent thinking member of the community.

It has been the policy of the government to work in close harmony with the voluntary sector. The community is fortunate that organisations such as the Yooralla Society of Victoria, the Spastic Society of Victoria Ltd, the Brotherhood of St Laurence and foster care organisations in the electorate of the honourable member for Benambra can be trusted to work on a basis of responsible cooperation with Community Services Victoria in the provision of these basic services.

It is utterly unacceptable for the Leader of the Opposition to step over that boundary of the voluntary welfare sector, advocate a move into the area of profit-making company activity, and suggest that welfare services should be passed over to private enterprise on a less-cost basis.

STATE ELECTION

Mr MACLELLAN (Berwick)—In view of the Premier's answers to questions without notice today, is the Premier willing to call an early election on the proposed gun laws, as was suggested by the Minister for Police and Emergency Services, to prove the sincerity of himself and his government regarding the high moral issue and the justifiable policies of the government, as opposed to the new consensus that has arisen between the political parties on gun laws?

The SPEAKER—Order! I uphold the question and call the Premier.

Mr CAIN (Premier)—Despite the temporary euphoria opposite, I have made my view very clear about State elections. I do not intend to add to it. My view is that Parliaments are elected to serve their time, and I have never said otherwise.

PETROLEUM EXPLORATION

Mr ROWE (Essendon)—Can the Minister for Industry, Technology and Resources inform the House what steps the government has taken recently to encourage petroleum exploration in Bass Strait and the Otway basin?

Mr FORDHAM (Minister for Industry, Technology and Resources)—The government is proud of its initiatives in that very important area.

Honourable members interjecting.

Mr FORDHAM—From the interjections of members of the Opposition, obviously they do not support exploration activities in Victorian waters, which is a great pity. In the past decade there have been significant moves made by the Gas and Fuel Corporation of Victoria to facilitate exploration within that part of Victoria. Indeed, approximately $99 million is estimated to have now been spent within the area. The vast bulk of the expenditure has been from the private sector through facilitative measures provided by the Gas and Fuel Corporation.

That is an excellent example of government and private enterprise working in partnership. It is a pity that the Liberal Party has abandoned notions of that sort with its constant cry for the government to withdraw from areas of activity such as this. It is an appropriate and proper function of government and, to further adopt comments made by the honourable member for Essendon, the government has recently released advice on a number of further activities for exploration activity, both offshore and onshore, within the Otway basin, the Gippsland basin and the Murray basin, the latter being an area where there has been very little work undertaken in the past.

My department has been very anxious to encourage exploration activity throughout prospective areas in Victoria. As part of its economic strategy statement, the government has initiated a significant study of Bass Strait gas reserves to provide future information for the government and the private sector on that valuable resource.

Some significant initiatives have been taken in conjunction with a number of companies. I emphasise that partnerships shall continue to be facilitated by the Gas and Fuel Corporation, particularly in Bass Strait. A new pamphlet entitled "Petroleum in Victoria" has been issued by the Department of Industry, Technology and Resources to provide relevant information.

The benefits to Victoria and Australia from new oil and gas discoveries, and, of course, the development of those discoveries of oil and gas in Victoria, ought to be evident. I am disappointed that the Opposition has not taken a greater interest in this important area.

In addition, the Gas and Fuel Corporation will be working with other companies in the future. Honourable members would be aware of a recent discovery of gas by Beach Petroleum NL near Port Campbell, further adding to the prosperity of Victoria for the future in the offshore areas near Victoria.

The government looks forward to continuing exploration for oil and gas reserves in the greater international and interstate interests of Victoria and in the interests of present and future generations of Victorians.

AUDITOR-GENERAL'S REPORT

The SPEAKER presented the second report of the Auditor-General for the year 1986–87.

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

HOSPITALS SUPERANNUATION BILL

Mr JOLLY (Treasurer), moved for leave to bring in a Bill to provide improved benefits under the Hospitals Superannuation Fund, to repeal the Hospitals Superannuation Act 1965 and certain other Acts and for other purposes.

The motion was agreed to.

The Bill was brought in and read a first time.

STATE SUPERANNUATION BILL

Mr JOLLY (Treasurer) moved for leave to bring in a Bill to provide improved benefits under the State Superannuation Fund, to introduce a new scheme for new officers, to repeal the Superannuation Act 1958 and certain other Acts, to make consequential amendments to certain other Acts and for other purposes.

The motion was agreed to.

The Bill was brought in and read a first time.

TRANSPORT SUPERANNUATION BILL

Mr JOLLY (Treasurer) moved for leave to bring in a Bill to establish a Transport Superannuation Fund, to amend the Borrowing and Investment Powers Act 1987 and for other purposes.

The motion was agreed to.

The Bill was brought in and read a first time.

STAMPS (SECONDARY MORTGAGE MARKET) BILL

Mr JOLLY (Treasurer) moved for leave to bring in a Bill to make provision with respect to the secondary mortgage market, to amend the Stamps Act 1958 and for other purposes.

The motion was agreed to.

The Bill was brought in and read a first time.

LIBRARIES BILL

Mr CATHIE (Minister for the Arts) moved for leave to bring in a Bill to constitute a Libraries Board of Victoria and a Council of the State Library of Victoria, to repeal the Libraries Act 1958 and the Library Council of Victoria Act 1965 and for other purposes.

The motion was agreed to.

The Bill was brought in and read a first time.

CRIMES (FINGERPRINTING) BILL

Mr McCUTCHEON (Attorney-General) moved for leave to bring in a Bill to amend the Crimes Act 1958 to allow police to fingerprint suspected persons in certain circumstances and for other purposes.

The motion was agreed to.

The Bill was brought in and read a first time.

TELECOMMUNICATIONS (INTERCEPTION) (STATE PROVISIONS) BILL

Mr McCUTCHEON (Attorney-General) moved for leave to bring in a Bill to enable the Police Force of Victoria to intercept telecommunications in accordance with the Telecommunications (Interception) Act 1979 of the Commonwealth and for other purposes.

The motion was agreed to.

The Bill was brought in and read a first time.

LOCAL AUTHORITIES SUPERANNUATION BILL

Mr SIMMONDS (Minister for Local Government) moved for leave to bring in a Bill to re-enact with changes the law relating to local authorities superannuation, to repeal the Local Authorities Superannuation Act 1958 and certain other Acts, to amend certain Acts and for other purposes.

The motion was agreed to.

The Bill was brought in and read a first time.

LEGAL PROFESSION PRACTICE (INCORPORATION) BILL

The debate (adjourned from March 22) on the motion of Mr McCutcheon (Attorney-General) for the second reading of this Bill was resumed.

Mr JOHN (Bendigo East)—Just for the record in respect of this Bill, I declare that I hold a full legal practising certificate, although I am not carrying on the profession or practice of barrister and solicitor. The legal profession is regulated by the Legal Profession Practice Act, which this Bill will amend.

In Victoria we have a combined legal profession law and yet, by convention, we choose to practise separately as barristers and solicitors. Solicitors are represented in the State by the Law Institute of Victoria and barristers are represented by the Victorian Bar Council. The Bill will allow for the incorporation of legal practices. The Opposition supports the Bill—which is welcomed by the profession—as does the Law Institute of Victoria that represents the profession, subject to the government accepting some technical amendments that I understand have been considered and approved by the Attorney-General.

There are 6059 solicitors practising in Victoria. Of those, 3747 have full certificates and practise either on their own account or in partnership with other solicitors. About 1000 of those 3747 solicitors practise as sole practitioners. Some 1900 solicitors practise as employee solicitors and 387 hold corporate certificates.

The distribution of law firms throughout Victoria will be of interest to honourable members. There are 367 law firms in the city and 719 in the suburbs of Melbourne. In country Victoria there are 202 law firms and in provincial Victoria—that is Bendigo, Ballarat and Geelong—there are 85 law firms. Some 463 solicitors practise from their own homes.

These law firms are an important part of Victorian small business. As well as providing expert legal services to their clients and advice to Victorians, they play an important part in the economic structure of the State. Increasingly in the modern law firm one sees the need for expensive equipment such as facsimile machines, computers, word processors and other communication devices. Every effort must be made to nurture these small businesses as a dynamic part of Victoria's economic structure.

Most other small businesses can, under Victorian law, incorporate. Other professions and businesses which provide services similar to solicitors have for many years been allowed to incorporate. I cite financial advisers, architects and consultants as examples.

Solicitors have wanted the proposed legislation passed for probably as many as fifteen years, but for various reasons, this has not occurred. One of the problems in the past was that incorporation generally provided limited liability, and this was not acceptable to the Victorian public. Historically solicitors have always been personally liable for the advice they have given to their clients and to the public they serve. The Bill will not alter that fact. If it were a normal incorporation procedure, a solicitor would be able to hide behind the corporate shell and escape personal liability for wrong advice or for some other default to the client. However, the Bill provides for incorporation with unlimited liability.

At present, partnership law in this State is old-fashioned and cumbersome. Every time one seeks to change the composition of a law firm one needs a deed of dissolution of

partnership to be executed and the execution of a new partnership deed. There are often indemnities, guarantees, other agreements and so on to be prepared to allow a changeover of partners, having regard to the different types of obligations that perhaps the old partnership had entered into.

Incorporation will offer substantial benefits to the legal profession and allow greater flexibility in the operation of their practices. As I said, there will be improvements in the method of changing partnership personnel and it will be easy to handle the situation with leased equipment and the need for security over company assets. There may be taxation benefits for small businesses which seek to incorporate.

A number of conditions in the Bill must be fulfilled for incorporation. I direct the attention of honourable members to clause 9 which proposes a new section 87B. The Law Institute of Victoria must approve of the memorandum and articles of association. The company must hold a current practising certificate and must involve itself only in the business of a law practice. It cannot conduct any other form of business. The company must have unlimited liability in order to protect clients. The director of the company must have a practising certificate unless he is a sole practitioner. As honourable members know, a company needs at least two directors and, in the case of a sole practitioner, the Bill will allow for a prescribed relative to undertake that responsibility.

All directors who hold practising certificates will be liable for all acts and defaults of the company. The shares of the company must be registered in the name of the person who holds the certificate and the Bill also provides a number of other miscellaneous, technical and consequential provisions that will amend the principal Act; suffice to say that the solicitors of Victoria want this proposed legislation.

The Law Institute of Victoria supports the Bill, subject to the technical amendments to which I have referred. It brings solicitors in Victoria in line with other professions and other small businesses. The Opposition supports the Bill, subject to the amendments to which I have referred.

Mr ROSS-EDWARDS (Leader of the National Party)—The National Party supports the Bill because it contains aims for which the legal profession and the Law Institute of Victoria have been striving over many years.

I should make it clear that I hold a full practising certificate as a solicitor but, in regard to remuneration, that statement is not really relevant because I am a minor consultant to a firm in which I used to be a partner.

The second-reading notes on the Bill emphasise that the measure will not help income tax arrangements for the splitting of income between husband and wife. No doubt that is technically correct, but I should be surprised if, somewhere along the line, there will not be some benefit of directors' fees or superannuation. However, that situation will become clear in the next twelve months when solicitors will be aiming to ensure that they obtain the maximum benefit from the legislation.

I can see considerable benefit in the Bill to the bigger law firms because of the ease it will create in running practices and because of the transfer of entry provisions applicable when new members join a firm. In future, shares will be transferred rather than a partnership being dissolved and a new partnership being established. For the single practising solicitor or a firm with only two partners—which is common in the country and suburbs—I cannot see much practical advantage, it being my experience that whenever a private company with which I have been associated has had to borrow money for some purpose, I have always signed a guarantee; merely because one is dealing with a firm of solicitors which is incorporated, I cannot see that that will be any different.

As for saying that the Bill will automatically bring easier access to capital for modernisation of offices, that sounds like a lot of rubbish. The only way one is able to spend money on one's building and contents is to make that money first. Be that as it may,

the Bill is a step forward. Many other professions have had the privilege of being incorporated and, therefore, the legal profession should be entitled to it also.

I received a letter from a law firm, a sole practitioner, in north-eastern Victoria—I shall not disclose the name of the firm, for no ulterior motive—which sums up my feelings:

> Being a sole practitioner the writer finds the Act to be somewhat nebulous. The writer is still prevented from splitting his income with his wife as she cannot be a remunerative director of a company; it does not give the normal protection that we all go for with companies of limited liability; it would impose compulsory superannuation schemes on all sole practitioners if they were to incorporate, which they do not have at this point in time.

The writer goes on to say that he sees many advantages for the larger law firms but few for the single practitioners or the small firms with two or three partners.

Nevertheless, the National Party supports the move, assuming that the Law Institute of Victoria will retain the same tight control that it exerts at present. It has to approve the memorandum and articles of association of a company wishing to incorporate and it has to be informed when there is a change of address or a change of shares in the company.

I fail to see, from a commonsense point of view, why there should not be a splitting of income. I understand that those who hold practising certificates must take responsibility for what happens within a firm. To have incorporation, yet not have the splitting of income, would seem to be missing out on the benefit for which many practitioners would have hoped.

Mr MACLELLAN (Berwick)—The Opposition has indicated through the remarks of the spokesperson on the matter that it supports the Bill, but I urge the Attorney-General to consider the introduction of proposed legislation to enable those professions and groups within a community other than the classical professions of medicine and law to similarly have the advantage of incorporation or at least to explore that possibility.

It looks ugly that it is the lawyers who seek it for themselves and Parliament has not yet considered whether people in other forms of practice might not similarly be relieved of the obligation to maintain spreading partnerships of larger membership because there may be professional rules on incorporation. If solicitors are able to find a formula for undertaking incorporation within a carefully controlled professional structure, it seems that other groups within the community might similarly be assisted by such legislation. The sort of legislation I am suggesting would be along similar lines but would relieve these people of the burdens that arise from the Companies (Victoria) Code. The Companies (Victoria) Code is not always the appropriate mechanism for, say, a group of architects, and——

Mr McCutcheon interjected.

Mr MACLELLAN—It is possible for a group of architects to incorporate; that has been possible for some time, but why should the choice be partnership or incorporation under the Companies Code as opposed to a form of incorporation of professional practice with lesser responsibilities—since all members must be qualified or within the family or in an approved context—regarding financial statements, audits, company meetings, filing and registration of accounts or returns to the Corporate Affairs Office?

Many companies are listed in the Corporate Affairs Office which need not be listed there, causing unnecessary trouble to many people, including the public officer, accountants, legal advisers and a whole range of people who are all being paid additional fees simply to provide that second choice to partnerships.

This new measure could represent a lower cost and perhaps more effective means of incorporating professional practices without having to force people to continue with the difficulties of spreading partnerships where more partners are brought in and retiring partners are not able to withdraw all their funds from that partnership.

Secondly, that would involve a quantum leap from that situation to one of a company which, although not necessarily listed on the stock exchange, exists under the Companies Code legislation with all the onerous responsibilities that flow from that. The directors

would have complete liability in respect of the companies; there would be no limited liability. Therefore, there would be no obligation to have a security system of the type that has been developed under the Companies Code.

This is a welcome measure. A similar measure was floated by the previous government. At that stage it was not proceeded with by the profession—for several reasons relating to Federal taxation. The measure has now resurfaced, and I suggest to all honourable members, as I have done before, that there should be an "incorporation of professional practices" Act that contains a similar form of incorporation under standard rules, rules that apply to both lawyers and other professionals.

Such an Act would enable many people who were prepared to accept personal liability for the full obligations of an organisation to be relieved of the necessity to form incorporated companies under the Companies Act.

Mr McCUTCHEON (Attorney-General)—I thank the three speakers for the contributions they made to the debate. There is no disagreement about the issues the Bill deals with. The Bill provides a benefit to the legal profession; it is essentially of interest to legal practitioners.

The particular matter raised by the honourable member for Berwick is that there ought to be a specific Act that enables professionals to incorporate, but without some of the constraints that have been developed over the years applicable to business activities and companies.

I believe the suggestion is one that the professions should investigate themselves. Perhaps this debate will draw their attention to such a possibility—not only for the legal profession but also for others who seek to use incorporation as a means of carrying out their professional work.

The Law Institute of Victoria requested some amendments, and they will be proceeded with in the Committee stage of the Bill. The proposed amendments will improve the Bill.

I thank honourable members for their contributions to the debate. The Bill ought to have a speedy passage.

The motion was agreed to.

The Bill was read a second time and committed.

Clauses 1 to 6 were agreed to.

Clause 7

Mr McCUTCHEON (Attorney-General)—I move:

1. Clause 7, line 19, after "or" insert "a person who is a director, member or participating employee of an incorporated practitioner or an".

The amendment relates to a technical requirement to ensure that the Solicitors' Guarantee Fund provisions and the trust account provisions apply to individual solicitors in an incorporated practice in the same way as such provisions now apply to individual solicitors in a partnership. This was one of the amendments requested by the Law Institute.

The amendment was agreed to.

Mr McCUTCHEON (Attorney-General)—I move:

2. Clause 7, line 20, after "practitioner" insert "being a practitioner or incorporated practitioner".

3. Clause 7, lines 28 to 30, omit sub-clause (2).

The amendments were agreed to, and the clause, as amended, was adopted, as was clause 8.

Clause 9

Mr McCUTCHEON (Attorney-General)—I move:

4. Clause 9, page 9, after line 39 insert—

"( ) A member must give to the company the name and address of any person who acquires or disposes of an interest in a share registered in the name of the member in the books of the company forthwith on that interest being acquired or disposed of;".

This amendment, together with amendments Nos 5 and 6 circulated in my name, will ensure that details of registered share transactions are given to incorporated practitioners. Again, the amendments were requested by the Law Institute of Victoria.

The amendment was agreed to.

Mr McCUTCHEON (Attorney-General)—I move:

5. Clause 9, page 10, line 19, after "solicitor" insert "within the meaning of section 51 (1) (*a*)".

6. Clause 9, page 10, line 23, after "name" insert "and address".

The amendments were agreed to, and the clause, as amended, was adopted, as was clause 10.

Clause 11

Mr McCUTCHEON (Attorney-General)—I move:

7. Clause 11, line 38, after "out" ' insert "(where twice occurring)".

This amendment corrects a minor drafting error.

The amendment was agreed to, and the clause, as amended, was adopted.

Clause 12

Mr McCUTCHEON (Attorney-General)—I move:

8. Clause 12, lines 32 and 33, omit "51 (1) otherwise than by reason only of being such a director, member or participating employee" and insert "51 (1) (*a*) either solely on the solicitor's own account or in partnership with any other practitioner".

This amendment clarifies the intent of proposed section 99A to ensure that incorporation does not alter the liability of a solicitor. It means that solicitors in an incorporated practice will remain liable as if they were in sole practice or in partnership.

The amendment was agreed to, and the clause, as amended, was adopted, as was the remaining clause.

The Bill was reported to the House with amendments, and passed through its remaining stages.

WATER AND SEWERAGE AUTHORITIES (RESTRUCTURING) (POSTPONEMENT OF EXPIRY) BILL

The debate (adjourned from March 3) on the motion of Mr Wilkes (Minister for Water Resources) for the second reading of this Bill was resumed.

Mr PLOWMAN (Evelyn)—The Opposition indicates at the outset that it will support this simple Bill. It seeks to postpone the expiry of the sunset clause extending the life of the current water and sewerage authorities under the Water and Sewerage Authorities (Restructuring) Act 1983. The sunset clause was introduced at that stage to allow time for a new comprehensive water Bill to be introduced.

The life of those authorities was again extended in 1986, and once again in 1987. The Minister for Water Resources has inherited responsibility for this portfolio, as I have as shadow Minister on behalf of the Opposition, so I have some sympathy for him. I hope that, when the proposed comprehensive Bill is introduced, sufficient time will be given for the opposition parties to consult with the water industry and water users throughout the

State. A Bill of such a comprehensive nature will probably require a recess period to allow people to consider it. The Opposition will be seeking that sort of adjournment. Therefore, I hope the extension of the sunset clause will be sufficient to enable that to occur. I look forward to that comprehensive Bill being introduced.

Perhaps I am being pedantic, but I point out to the Minister that the statement in the second-reading speech, "the proposed comprehensive water legislation, which will replace the 1983 Act, will not become operative before 7 June 1988 when the sunset clause is now due to operate" should be corrected by adding the word "until" before the word "when". That is the purpose of the Bill. The Opposition supports the extension, particularly if the Minister is prepared to indicate that the opposition parties will be given sufficient time, which means a lot of time, to consult adequately with the water industry in Victoria on the proposed Bill.

Mr STEGGALL (Swan Hill)—Unlike the Minister for Water Resources and the honourable member for Evelyn, I am on my fourth run in debating this type of legislation. A Bill of this type seems to be debated annually. It appears that this will be the last time a Bill postponing the expiry of the sunset clause in the Act will be required for all the water and sewerage authorities. The Bill will keep the water and sewerage authorities in existence until the water law reform package or the proposed new water legislation is introduced.

I shall make a couple of points on the Minister's second-reading speech. Discussion papers have been circulated and consultation has been occurring, and no doubt is still occurring, on the water law reform package, which must be seen by the Minister and the government in its true light in regard to the way people in the country understand the consultation process. The meaning of the discussion papers is being explained to those people. It is a bit like local government consultation; it is an explanation of what is proposed in those discussion papers.

The National Party had hoped the proposed new water legislation would be introduced by the end of this sessional period. It seems there may be some doubt as to whether that will be achieved. The consultation and discussion phases will be substantial. It is one of the responsibilities of members of Parliament, like myself, who represent irrigation areas, and the Minister, to ensure that people are fully informed about the proposed legislation. Because it will change the whole structure of the water system, it will come under enormous scrutiny in this place and in the community. I look forward to that debate.

I point out to the Minister that the water law reform package will be something akin to the financial strategy package that expires next year. The financial strategy package has been a hot issue throughout the country. It was introduced by the Minister for Health, who was then the Minister of Water Supply, and was argued consistently by the present Attorney-General, when he was the Minister for Water Resources, and the final replacement of that strategy will be argued by the present Minister for Water Resources.

The financial strategy package is not seen in a good light in the country. The policy of the government on water pricing, in the stock and domestic fields and for irrigation, leaves much to be desired and is not acceptable in its present form. Incorporated in that policy are the changes to the current cost accounting, which have virtually doubled the theoretical cost of water. I call those water charges theoretical because the charges being imposed by the government are not realising the projected return. It is virtually the amount of the so-called subsidy for irrigation and for stock and domestic water.

This Bill gives me the opportunity of making a few passing comments to the Minister and to the water industry on what the National Party will be looking for in the proposed Bill to follow this Bill, which will rewrite the Water Act or introduce a total water law reform package.

The SPEAKER—Order! The honourable member will relate his remarks to the Bill before the House, not to a Bill that may or may not be presented.

Mr STEGGALL—The Water and Sewerage Authorities (Restructuring) (Postponement of Expiry) Bill has been introduced to postpone the expiry of the Water and Sewerage Authorities (Restructuring) Act until introduction of the Bill to which I have referred; that is why I thought the Bill had some relevance to the proposed comprehensive Bill. The rewrite of the Water Act has been awaited for some time, as have changes to the Water and Sewerage Authorities (Restructuring) Act.

The National Party supports the proposed legislation and hopes it is the last time a Bill of this nature will be introduced. I hope plenty of time will be provided for genuine discussion on the water law reform package and the proposed new water Act at the appropriate stage.

Mr WILKES (Minister for Water Resources)—I thank the honourable members for Evelyn and Swan Hill for their comments; both of them are well equipped to debate any water Bill in this Parliament. There is no doubt that when the new proposed legislation, to which the honourable member for Swan Hill adverted, is presented to Parliament, he will be able to raise the points that he wanted to raise today. His advice in these matters will be appreciated by the government, and, likewise, the comments of the honourable member for Evelyn will be appreciated. I assure the honourable member for Evelyn that sufficient time will be given for him and his party thoroughly to consult with constituents on the effects of that proposed legislation when it is introduced.

The motion was agreed to.

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

Mr KENNETT (Leader of the Opposition)—On a point of order, Mr Acting Speaker, are there any members of the government in Parliament today besides the Minister for Water Resources?

The ACTING SPEAKER (Mr Kirkwood)—Order! There is no point of order.

Mr KENNETT—What about a quorum? Mr Acting Speaker, I direct your attention to the state of the House.

A quorum was formed.

LAND (TRANSACTION INFORMATION) BILL

The debate (adjourned from October 8, 1987) on the motion of Mr McCutcheon (Attorney-General) for the second reading of this Bill was resumed.

Mr PLOWMAN (Evelyn)—The Land (Transaction Information) Bill proposes to establish the framework for a central computerised databank of all land ownership and subsequent transfers of land within the State. The system will be known as LANDATA and at this stage I acknowledge the briefing given to the Opposition. I thank Mr Shiv Rakkar, Deputy Director-General of the Department of Property and Services, for his briefing on the Bill.

The Bill amends various Acts: the Valuation of Land Act 1960, the Land Tax Act 1958, the Geelong Waterworks and Sewerage Act 1958, the Local Government Act 1958, the Melbourne and Metropolitan Board of Works Act 1958, the Mildura Irrigation Trusts and Sunraysia Water Board Act 1958, the Sewerage Districts Act 1958, and the Water Act 1958.

During his second-reading speech, the Attorney-General said that the government has pursued this concept of an automated land information system and that the Bill brings into operation the framework by which the LANDATA system can be set up. However, I put on the record a fact to which the Attorney-General did not refer; that is, this is not a new concept; it was a concept pursued in the days of two former Liberal governments. The idea was initiated by my colleague in another place, the Honourable Alan Hunt, when he was Minister for Local Government. At the time he indicated to the Building and

Development Approvals Committee—BADAC—that he wished this proposal to be examined. Later, under the administration of the honourable member for Benambra as the then Minister for Local Government, that objective was again pursued.

The objective of those former Ministers was to seek to simplify the information base and the notification system for all land in Victoria. As I said, this concept is now being pursued by the present government. The Bill will mean the beginning of the implementation of the LANDATA scheme, which, I am informed, will be fully operational by the mid-1990s.

The Opposition does not argue with the concept of the Bill; it supports it. However, the Opposition takes exception to the flimsy nature of the proposed legislation, which is a shell of a Bill that lacks detail. The measure does not detail the user groups or the interested parties that will seek information on land in this State. The Opposition acknowledges that when the system is fully operational, details of land will be made available more readily, flexibly, and quickly to the community.

A perfect example of the lack of availability of information was in the form of a letter I received from a Mrs C. J. Bennett of Stawell, who also wrote to the Minister. The letter is about an advertisement that appeared in the *Stawell Times-News* of 26 February 1988 in the legal section. It was as follows:

By application No. 62237B under section 60 of the Transfer of Land Act 1958 Western Mining Corporation Limited of 360 Collins Street who claim by adverse possession have applied for an order vesting in them land at Stawell . . .

Mrs Bennett read that advertisement and, as the land is situated in the Stawell district, she was interested to know exactly where it was located.

The advertisement provided no information on where that land is except it did provide the Crown allotment and parish identification. Mrs Bennett wrote to the Minister requesting that, when such an advertisement appears in the newspaper, details should be made available at the town hall, shire office, or library so that information is readily available to anyone interested in inspecting the property.

That is an example of the current complexity of ascertaining details of land. It is hoped, ultimately, the LANDATA system will mean that someone like Mrs Bennett who reads an advertisement like that will be able to access information as to where the land is, the details of who owns it, who previously owned it, and so on. From that point of view, the information provided to the public will be an advantage.

Obviously, the speed of transmission of details of land ownership and transactions in the State will be of distinct advantage to people transferring land and property and to those who have a need to ascertain details of land transactions, when the LANDATA system is fully operational.

From representations to the Opposition it appears that the government has failed to take account of real fears expressed by local government, the Australian Institute of Valuers (Inc.) and water and sewerage boards about the actual operation of the system. Those organisations need prompt, accurate and concise but comprehensive information on land transmissions. Those details are of vital concern to those organisations, especially taxing bodies like local government, water boards, and so on. It is little wonder that when local government and other bodies examined the Bill they expressed concern about how the system will operate.

Clause 6 amends the Local Government Act 1958 and subclause (1) (*b*) states:

In section 879, for sub-section (1) substitute—

"(1) A prescribed person must, in relation to the disposition of any land, give notice—

(*a*) in a prescribed form containing prescribed particulars; and

(*b*) to prescribed persons; and

(*c*) within a prescribed period.";

Each of the eight Acts requiring amendment has similar vague prescriptions and little detail is provided to indicate what those prescriptions are about. The new system proposes the abolition of notification of land transfers to local government on a Schedule Thirty-two A form, providing details of property transactions in a municipal district, to the municipal clerk which notification is currently required within 30 days, and if it is not provided within that time a penalty applies.

Accurate records to local government and other taxing bodies are absolutely essential for the following reasons: firstly, the details of ownership and occupancy; secondly, the relevant amendment of rating details; thirdly, for general rate office information; and, fourthly, for the preparation of supplementary rate notices and valuations. As an example, I refer to the City of Berwick which in its 1986–87 estimates received $350 000 in additional income through supplementary rating. It is most important for supplementary rates that these details be accurate and be transmitted speedily, particularly for municipalities on a net annual value rating.

The fifth reason concerns fees charged by local government for providing valuation information to other taxing organisations. I again refer to the City of Berwick which, in 1984, earned $173 833 by selling its valuation information to other taxing bodies.

The sixth reason these records are important to local government and to other taxing bodies, but particularly to local government, is the updating of the voters' rolls. As you, Mr Acting Speaker, will know, having been a councillor for many years, that is important for the proper operation of any municipality.

The details of the provision of this information with LANDATA have been vague in referring to a prescribed person, to a prescribed form containing prescribed particulars, to prescribed persons and within a prescribed period. No details of those prescriptions are provided.

Formerly there was a penalty in the Local Government Act of five penalty units for not providing information within 30 days, but that section will be repealed by this Bill. Clause 6 (1) (*d*) states:

After section 898 (1) (*a*) insert—

"(*aa*) prescribing anything required or permitted by section 879 to be prescribed;".

I dare say that will provide the opportunity for prescribing penalty units, but it raises a doubt about whether penalty units should be set out in legislation in penalty units form, or whether they will be contained in yet another prescription.

It is not surprising that interested parties are concerned about the flimsy nature of this Bill and about its implementation being carried out by regulations. Taxing authorities are saying, "You are asking us to buy a pig in a poke; we do not really know what the system is all about". Another concern that has been expressed to me by taxing bodies, the Australian Institute of Valuers (Inc.) and by water and sewerage boards, involves the accuracy of the details to be provided by a remote computer programmer.

All honourable members will be aware of the term "garbage in, garbage out". The computer itself is strictly accurate, but what comes out depends entirely on the information processed into the computer. If that information is inaccurate, the information coming back to those taxing bodies will also be inaccurate. At present local municipalities have considerable local knowledge about property transactions. Valuers, rate officers and those associated with the rate offices keep a close check on property sales within their municipalities. There is a built-in local knowledge and correction of any false or incorrect information fed into the rate office or additions in cases where insufficient information has been provided.

Computer failure is another significant concern. The Minister for Property and Services will be aware of the computer failure problems currently besetting the Land Titles Office.

Local government and other organisations that I have mentioned are concerned about information not being readily available if a computer failure or breakdown occurs. In those cases, the organisations must simply wait. Concern has also been expressed about information that might be lost as a result of a computer failure and about the need to provide an efficient backup system to ensure that loss of details through computer failure does not happen.

There is also concern about what it will cost taxing bodies to obtain these transaction details. At present individuals involved in transacting properties must make these details available to local government at no cost. Local government is concerned that the new system might involve a cost. It is reasonable to ask that question, and I hope the Minister can answer it.

Another question concerns what frequency would apply to requests by local government and taxing bodies for details. At present local government can update its information within 24 hours. As I pointed out earlier, with supplementary valuations this information update is important to taxing bodies. An indication must be given to these organisations about how long it will take for information to be supplied, what frequency of requests is involved, and what details will be provided.

The former Minister for Property and Services, now the Attorney-General, in his second-reading speech, said:

> The present system requires multiple attendances at the Land Titles Office and other agencies to access information which is already publicly available information . . .

The Opposition is interested in how much information, and on what basis it will be made available to the general public. At present many details are provided on a need-to-know basis. Does the Minister intend that all information relating to property transactions, valuations, and earlier prices will be provided on request to any member of the public, or will it be made available only on a need-to-know basis?

I pose this question to the Minister: if Mrs Jones sells her house in Fitzroy, or in any other area of the State, will that information be made available to me, a member of Parliament, or to any other member of the public who wishes to have access to that information on a stickybeak basis rather than on a need-to-know basis? Most Victorians regard their land transactions as being reasonably confidential.

If details are required for use by various searchers seeking information, that can be obtained now but, generally speaking, the basis for the release of those details is on a need-to-know basis. I am interested to know, as are those individuals who have made representations to me, on what basis information will be made available to the general public.

Local government also raised a matter relating to the valuations carried out by local government, which raise considerable funds for local government. Will this information be made available free-of-charge to individuals and other taxing bodies? Is the municipality to be rewarded for the information that, at its cost, it has put together? It is reasonable that local government be informed about this.

How can councils be assured that notification of property transactions will be made to LANDATA? Previously, when the provision of those details has not been made to councils, the valuer, the town clerk or the rates officer has had to chase up the information.

What system will be used to ensure that all changes of ownership will be accurately notified to the LANDATA system and then to local government and the taxing bodies, such as the water board and so forth?

Representations have been made to the Opposition by various individual councils, by the Municipal Asscociation of Victoria, by the Australian Institute of Valuers (Inc.) and by water and sewerage boards, all of which are concerned about the flimsiness of the Bill and the fact that no draft regulations have been circulated.

They are concerned about the lack of information and the many unknowns. I believe the Minister would readily accept the fact that, if people know all the answers to the questions that I have raised, the Bill will be more readily accepted by those persons whom it will affect. The organisations that have made representations to me are concerned about the Bill but they support its concept. However, they are concerned about the unknown.

The Victorian title searchers association, the professional body of title searchers in Victoria, has also accepted the concept, but it is concerned about the pilot project currently under way in Bendigo which provides title details to solicitors.

The association is concerned about the fees as the Land Titles Office is providing the service for $6 to solicitors when a professional title search charge is between $16 and $19. The Land Titles Office is heavily subsidising the cost involved in this service. The association is concerned that the Bendigo project threatens to push its members out of business. It supports the LANDATA scheme and it believes there will be a place for its members when the scheme is working, but that the pilot project, particularly if it is extended to other provincial cities after Bendigo, will considerably erode their living and the service they provide to the legal system and to people transferring property in this State.

The association has provided me with a list of questions that it believes are legitimate and should be answered. The association asks:

1. What Titles Office staff are being used to provide the Bendigo searches and in consequence:

(*a*) What time is involved by each staff member?

(*b*) What cost is incurred by the taxpayer?

(*c*) What plans have been implemented to cover the resultant fall off in services to regular customers caused by the redeployment of staff?

That is a reasonable question to ask:

(*d*) If extra staff are to be employed or transferred from other departments how can you morally justify destroying viable private enterprise purely to create Public Service employment?

(*e*) How much extra cost is to be involved in satisfying the already formulated claims for higher salaries for officers performing search duties?

2. If Bendigo is a pilot project how long will it be before a second centre is set up and where will it be?

I add a rider: how many other centres will follow?

3. If trial statistics are being taken at Bendigo under the present fee structure will statistics also be taken at a realistic fee structure and which set of figures will be used in deciding the fate of such project?

I shall hand the Minister a copy of these questions; he has indicated that he will take some of the questions on notice. It will be satisfactory to the association if it can have the answers in due course. Further questions are:

4. If the current charge is not to be raised to a commercially viable level, and we are reliably informed this question was raised at the "Bendigo Presentation" and fobbed off, how can you justify extracting taxpayers' money to provide a service already more than ably supplied by private enterprise?

5. Will the Titles Office guarantee its searches? Compensation claims occur more readily when inexperience is involved.

6. Will Titles Office staff as part of a full searching service be available to:

liaise on a personal basis with the client as to the status—legal or otherwise—of dealings lodged; and answer direct queries on searches made, or will the cry of, "We are purely an office of registration", be used to justify removal of a service that is now provided by private enterprise?

7. Why was there no consultation before the establishment of Bendigo? Titles Office has been more than willing to call on professional searchers' expertise in other areas. Is it possible there was something to hide or that no logical grounds to set up the service could be established?

8. With an office already struggling to cope with its present workload—quite apart from recent computer breakdowns—how can the imposition of this extra burden on staff be justified? It can lead only to further stress, job dissatisfaction, resignations and a resultant service breakdown.

9. On more than one occasion customers have been advised that titles were missing only to discover later that they were out of the system—unmarked—for the purposes of "Bendigo searches". Obviously this is a situation that cannot be allowed to continue. What steps are being taken to rectify this situation?

10. At a meeting held 4–5 weeks ago with Titles Office management we were informed that the matters concerning us would be raised with the appropriate people in the Property and Services Department and, following a request from us, that a newsletter explaining the Bendigo project would be circulated. This newsletter has not been forthcoming and on 28 March we were informed more time was needed to consider our concerns and react to them.

Does this mean the matters raised at the original meeting were not relayed or is it an attempt to stall in the hope we might just go away?

The article on government computerisation *Law Institute Journal* April 1988, page 317, a copy of which is attached, the following questions are raised:

1. How can the terminal at Bendigo be used to order full searches?

2. What is the present extent and proposed future extent of the interconnection with the institute LINK network?

3. As the full searches mentioned cannot be supplied via the computer, surely the "desk top" service cannot be either. Is the provision of searches then not beyond LANDATA's charter?

If the questions can be satisfactorily answered by the Minister, the title searchers' association would be in support of the Bill and the procedure that will follow thereafter.

The pilot project was set up to see how the computer system would work, and I sought information and opinions from solicitors in Bendigo who have been using the system. They have provided me with some notes that would be of interest to the Minister.

The ACTING SPEAKER (Mr Kirkwood)—Order! Does the honourable member wish to name the solicitors?

Mr PLOWMAN—The solicitors concerned would prefer not to be named, but I am happy to make the document available to the House.

The legal practitioners with whom I have spoken state that the Bendigo pilot project is not working properly, that the service is unreliable, and that it worked well only for the first week of its operation. Practitioners have been told that the equipment is not capable of handling the workload and, as a result of the unreliable service, some solicitors are still not using the system; instead, they prefer to continue to use professional title searchers on a contract basis.

The firm of which I was a member uses a titles searcher, Mr R. H. Ogilvie. His present charge is $18 a title search, which includes the Land Titles Office fee of $6. A search request can be made either by letter or by telephone, and an initial request for a title search is made on or before the execution of the contract. A final search is made, preferably on the day of settlement. Mr Ogilvie charges $5.50 for a final search, which is faxed to the legal practitioner. Because of a computer breakdown with LANDATA, final searches cannot be done for two weeks, which is useless.

As a result of recent delays at the Land Titles Office caused by the breakdown of the computer, settlements either had to be postponed—which is, in many cases, expensive to individuals—or the parties involved had to make a commercial decision and take the risk of settling without a final search. As you would know, Mr Acting Speaker, that is also a dubious decision to make. If there is a mistake, it can be extremely expensive and frustrating for the parties concerned.

The cost of using LANDATA is $6 a search, plus 20 cents a page thereafter. The usual cost in a standard transaction is $6.60. However, a solicitor would be entitled to make an additional charge under the Solicitors Remuneration Order of $18.80 for each attendance of the clerk at LANDATA.

Those attendances would involve an attendance to lodge the request, an attendance to collect the result and an attendance to carry out a final search—in all, $56.40. In addition,

the LANDATA and Land Titles Office staff offer no interpretive function, nor do they follow up on requests. That is a function the title searchers will always have, and that is where they see their future—in their skills in interpreting and following up the information. Therefore, they make the point that they believe they will, with LANDATA, still have a service to provide to the community. An experienced professional title searcher, such as Mr Ogilvie, would follow up a delayed transaction and in some instances may offer an interpretation of the results, if appropriate.

The general feeling among solicitors with whom I have spoken is that they appreciate that the scheme will provide benefits if it works properly and reliably. That is the crux of the Opposition's argument. There are many unknowns to the persons who will be using the scheme, and I do not believe the pilot project at Bendigo has, at this stage, overcome those concerns.

The Bill, with its many prescriptions—which will ultimately become regulations—leaves much uncertainty in people's minds, particularly with local government, valuers, conveyancing solicitors and people concerned for the privacy of their property affairs, and it smacks somewhat of mushroom management—which is, "Keep them in the dark."

There is a clear need for further consultation to overcome those fears. The Opposition supports the Bill in this place, but there are too many unknowns and deep concern is felt by responsible people in the community.

Although the Opposition supports the Bill, it would seek to have the Minister set up a working party while the Bill is between here and another place that would involve the Australian Institute of Valuers, Ministerial representatives from the Department of Property and Services, LANDATA personnel, the Law Institute of Victoria, the Local Government Department, the Municipal Association of Victoria, the Municipal Valuers Group, the Victorian Institute of Rate Administrators and the title searchers' association.

As one individual put it to me, this would not only give an opportunity for those groups to clearly understand what is intended—and that consultation has been promised—but it would also cause a deal of "cross-pollution" between the parties. What he meant was that it would cause a deal of cross-pollination between the parties. I trust it would not work out as being "cross-pollution". Such a working party could thoroughly iron out the uncertainties in the system.

If the system is to work to the advantage of the community and of local government and taxing bodies in the community, the working party must clarify those unknowns and sort out the bugs. The concerns I have expressed have been brought about by the vague, prescriptive nature of the Bill.

Although the Opposition supports the concept of LANDATA, in supporting the Bill the Opposition points out that it wishes the government to set up the working party that has been requested by the groups I have named, so that, before the Bill is finally dealt with in another place, all the matters raised have been addressed, the disquiet has been overcome, and the individuals who will be involved in the use of the LANDATA system are able to give it their full support.

The system has been considered for eleven years, and some further time taken by the government in setting up a working party will give ample opportunity for the system to be implemented in the way the government wishes it to be implemented and so that it has Opposition support.

If the Minister is not prepared to do that, the Opposition will reserve its position in the other place. It believes the system should work but it should work with the support of all parties. The Opposition is unhappy about the unknowns in the Bill. If that problem can be rectified, the Bill will have a speedy passage, and the Opposition wishes it every success.

Mr STEGGALL (Swan Hill)—The purpose of the Land (Transaction Information) Bill is to facilitate the introduction of LANDATA in Victoria. The Bill will amend the Valuation

of Land Act 1960, the Land Tax Act 1958, the Geelong Waterworks and Sewerage Act 1958, the Local Government Act 1958, the Melbourne and Metropolitan Board of Works Act 1958, the Mildura Irrigation Trusts and Sunraysia Water Board Act 1958, the Sewerage Districts Act 1958, and the Water Act 1958.

The proposed legislation will provide two things: the introduction in the future of a single lodgment point at the Land Titles Office for all notices relating to the acquisition or disposal of land, and the implementation of the LANDATA inquiry service. The Bill is loosely worded, as has been pointed out by previous speakers.

Honourable members must consider what LANDATA is and the ultimate objective of its introduction. LANDATA will provide prompt access to information about all land in Victoria from a single source. That is what the Minister said in Bendigo. However, that is a small part of the complex and exciting LANDATA projects which will be introduced throughout Victoria over some time.

As has been mentioned, it is the eleventh year since the implementation of LANDATA was first discussed. Many questions are related to that. Not many people understand LANDATA. The Minister for Property and Services, the Department of Property and Services and members of Parliament must come to grips with LANDATA and be able to explain its functions. I appreciate the fact that the Minister for Property and Services has only recently been appointed to this portfolio and that he did not introduce the proposed legislation into the House.

Few people understand LANDATA, in either the simple form proposed in the Bill or what it is intended LANDATA will provide by way of services in the future. I have been amazed at the questions asked of me in respect of LANDATA. They are not the kinds of questions asked earlier and I should have thought that people in local government, the legal profession, and real estate would have known the answers to the questions.

I shall quote a few of the questions asked of me to demonstrate how basic is the lack of knowledge about LANDATA among Victorians. These questions have come from people in rural Victoria, which is sad because they will be the major beneficiary of the technology. When the technology is introduced into this State in particular and into Australia in general, the people of rural districts will benefit most because it will be easier for them to obtain the required information.

The first question I have been asked relates to local government and is:

> In what form will the bulk information be provided to rating authorities?

No-one has explained in what form the information will go out to councils; whether local councils will be able to choose hard copy or a computer link and whether the councils will be the masters of the form in which the information is provided to them.

The next question is:

> How regularly would this information be provided?

Then there is a comment:

> Problems could be expected where delays occur, e.g. it would be easy to envisage more than one person, according to a rating authority's records, owning the same block of land at the same time.

The next question is:

> What guarantees will there be on the accuracy of the information, e.g. in the spelling of the owner's name?

They are basic questions which I should have hoped would not be asked by people in the organisations which will use LANDATA.

The next question is:

> What will be the cost structure for obtaining LANDATA information, e.g. will rating authorities have to pay an annual fee to LANDATA for their own municipal valuation and property information?

That question should not be necessary. It simply has not been explained. I shall refer later to why the question has been asked.

LANDATA has not been explained by the Department of Property and Services or by the government. It has not been explained that LANDATA will play a passive role, linking information from various organisations and providing access to the information so that it is readily available in other places. It is simply not clearly understood.

The basic concept of LANDATA is not readily understood by many Victorians because it is introduced through legislation and deals with the latest technology. Parliament does not have much choice about the Bill because LANDATA will eventually be introduced in some form.

It is not the wish of the National Party to oppose the Bill, but it is the wish of the National Party that the Minister for Property and Services and his department and the government ensure that the operation of LANDATA is far better understood when it is put in place than it is now. I repeat that it is difficult to find anyone who knows what LANDATA will do.

Members of Parliament are in the same boat. We are dealing with a pig in a poke because few people understand the proposed legislation.

I refer to some more questions which have been asked of me:

Will local government be required to record and rate properties as determined by LANDATA? Will council still have power to rate say two or three contiguous blocks as one although LANDATA may show them as separate titles?

That question should not have to be asked as it should be understood that what is raised is not a possibility.

The next question I quote is:

In reverse, can council rate flats separately although LANDATA shows only one title? A person receiving one or a number of rate or valuation notices must be confused if conflicting information is obtained from LANDATA.

The answer to that is, "No". The information used by councils in all the transactions will be owned, controlled and under the jurisdiction of the councils. All that LANDATA will do will be to access that information.

Mr Simmonds—It is a one-stop shop.

Mr STEGGALL—As the Minister for Local Government interjects, it is a one-stop shop, but unfortunately one would be lucky to find many people in Victoria who understand what the one stop is.

LANDATA will supply information in both word and map form. It will allow, sometime down the track, all types of information to be accessible to people who need it. I hope the Minister will confirm that LANDATA will not perform a positive function in land transactions except for providing accessibility to information from one or a number of instrumentalities.

LANDATA will provide information to all government agencies, public and professional researchers, legal researchers and real estate agents. The Ministry of Housing and Construction will obtain information on habitable standard orders on properties through LANDATA. Commonwealth government land acquisition and public works will be accessed through LANDATA. A public authority such as Telecom will be able to trace all gas and electricity lines through maps accessed through LANDATA. The State Taxation Office will be able to provide information on taxpayers' names, site addresses, values and taxes applicable for approximately 1·8 million properties within Victoria. The Department of Planning and Environment will be able to use LANDATA to plan land use zoning, public works, environmental problems, non-conforming land use, and so on. People wishing to purchase land will know what encumbrances apply.

Environment Protection Authority licences could be checked by people wishing to buy land for residential use or for development. It is not possible to provide all these items of information on titles but, in the future, that information will be available through LANDATA. The Land Titles Office will eventually be responsible for all notifications of transfer of ownership and will supply to anyone any information needed about that land.

The Melbourne and Metropolitan Board of Works and local councils will be able to provide information on rates, arrears, and encumbrances. This has become important in local government because the onus for any unpaid rates and arrears due on land being transferred now falls on the new owner and is not the responsibility of the previous owner. People will be able to obtain any information they need at a one-stop shop. That will save time and money, and will be a lot more accurate than the present system.

Other areas that will be improved relate to mining interests and Crown land in rural areas. Fun and games have continued for the past four or five years with unused rural Crown land, road reserves and river frontages, and the problems that have been caused for local councils.

LANDATA will bring about some interesting changes. It will open up new areas of endeavour for the government, for real estate developers—in fact, for people involved in any way with the land. It could also be a dangerous tool in the hands of a government that wished to use it for its own benefit because LANDATA gives government the ability to introduce broad-based land tax and to influence the functions of local government. It could also allow a Federal government to control much of the land owned by a State government.

It provides a centralising of information access for all who require it. The Minister for Local Government is enjoying this debate because he knows how well the Bill fits in with the aspirations of many members of the Labor Party in Australia and in this Parliament.

The report of the Committee of Inquiry into Revenue Raising in Victoria, published in May 1983, now becomes relevant because it will now be possible to be put into practice the suggestions made in that report. I did not have time to read this large document in full, but I have considered some portions of it. It states that the setting up of a centralised land information system, code named LANDATA, is to be considered for Victoria. A report on LANDATA was not available but the committee understood that it would be a fully integrated central repository for all information pertaining to land. That sort of statement leads to problems. That repository for land information would include legal, fiscal, geographic and environmental details.

The report also says that the establishment of LANDATA would have important consequences for the assessment of land tax. Honourable members today heard the Premier speak about broadbased taxes. This government—and possibly all governments—are looking for ways to improve their taxing powers with a broader based taxing operation.

Society is not facing that yet, but the National Party will attempt to slow the interference of government in people's lives and cut back the need for extra revenue, which all governments seek.

The report states:

> It has been estimated that the gross revenue forgone because of exemptions to land tax is at least $90 million per annum. This compares with the 1982–83 revenue expectation of $146·6 million. However, because a sizeable proportion of the extra revenue would be from small parcels of land, the costs of collection would be high.

The LANDATA system will make it simple for any government to introduce land tax without the exceptions that currently exist because certain land tax is too expensive to collect. The report continues:

> Furthermore, the extension of land tax to all lands would meet two other objectives: to establish land tax as a broad-based tax, and to tax government and public authorities and so lessen distortions between the public and private sectors of the Victorian economy.

It is clear that reform of the valuation system is a necessary step in reforming land tax, whatever the implications for State-local government relationships.

The Minister for Local Government, who is in the Chamber, is well aware that the government is heading down the track of breaking the relationship between State and local government so that State government will dominate the third tier of government.

The report continues:

Furthermore, this reform might require establishment of a central valuation authority vested with responsibility for supplying all land and property valuations in Victoria.

That is near and dear to the hearts of members of the Labor Party. Proposed legislation for the establishment of a central valuation authority will be introduced as soon as the government believes the LANDATA system is ready for implementation.

I shall now refer to how the LANDATA system will be used to adjust valuations through a centralised valuation authority. The Public Service currently carries out that function, but it is not carrying it out properly. The report indicates that there are two ways the LANDATA system could adjust valuations annually, which the Committee of Inquiry into Revenue Raising in Victoria believes is necessary. Honourable members are aware of the desire of some members of the Labor Party to take over the rating role of local government. Through the LANDATA system and a central valuation authority, a Minister could set levels and collect rates for local government, distribute the rates to local government and ensure that the rates were high enough to handle the various functions that Parliament will put on local government. The Minister for Local Government is looking at me with a blank expression, but I suggest he read the Health (General Amendment) Bill (No. 2) currently before Parliament to gain an understanding of what I am speaking about. It is a classic example of how this type of operation can be used in the wrong way to completely dominate, in this case, local government.

The 1983 report refers to adjusting valuations annually and states:

Beyond this problem, there will be a need to adjust the value ranges on an annual basis. Two alternatives might be considered. The first is to index the value ranges by the overall change in land/property valuations for Victoria.

That is understandable; I do not like it because it will move things around in a way that will not be accurate, but the report continues:

The second and favoured alternative is to use an index based on the price of other goods and services so that real changes in the value of land/property are reflected in the tax take.

I have mentioned some areas to point out the possible technology with which society may be faced as a result of implementation of LANDATA, which is not understood by many honourable members. It is another example of Parliament having to wrestle with trying to balance new technology and legislation.

The National Party supports the Bill. I have pointed out to the Minister some of the misgivings it has about the Bill, and how politicians in the near future and years down the track will be able to use technology to manipulate the lives of people and to dominate various aspects of our day-to-day lives. It does not have to be that way, but the Bill will allow that to happen.

I hope all politicians and political parties, particularly those on the conservative side of politics, will ensure that those matters are understood by the general community so that judgments can be made if governments of any political persuasion decide to abuse technology and interfere with the freedoms of the community.

I am pleased that the LANDATA inquiry service at Bendigo is on the way. I understand the problems inherent in the initial stages, and those problems will continue for a period. When the Minister answers some of the questions asked by the honourable member for Evelyn, honourable members will be a lot wiser than they are at the moment about how the problems are progressing.

Basically, business people, government departments and local government will use the LANDATA system, and they must know what it is, how it works and who will pay for it. The operation of the system has charges similar to those which currently exist, but the system needs to be explained.

The people who will benefit most from the introduction of new technology such as LANDATA are country people. The new system will offer a number of cost and time saving benefits to the users in Bendigo. A land index system will enable solicitors and private searchers to access up to 3 million land titles in Victoria by simply providing the volume and folio numbers, the proprietor's name or the lot/plan number. The information bulletin does not say what the costs will be, but I hope the charges will be clearly spelt out in the future.

A land parcel information service is available. Selected information will be available in the future from the rating authorities, the State Taxation Office and the Valuer-General's Office. The information forms the basis for preparing section 32 certificates and contracts of sale used for conveyancing purposes. By supplying a street address or council property number, the user will be able to use information such as rating records, the last sale price, date of possession and so on. The facility will be of benefit to the whole community. I stress that the LANDATA system does not hold this information; it is the access agent.

The LANDATA system has a land title tracking system. The computerised monitoring system shows the current status of a title, transaction or dealing in the Land Titles Office at any given time. The information is invaluable in conveyancing transactions, and the remote search is particularly useful for obtaining the final search statement at settlement.

A land sales information service is available. Registered valuers in Bendigo can access on-line land sales information that is usually available from the Valuer-General's Office in Melbourne. The information includes statistics on the sale of domestic, rural, commercial and industrial properties during the past five years. That will be a great advantage to the Bendigo area.

A title copy service is provided. For a moderate fee customers can obtain a copy of their title of land the next working day, without travelling to Melbourne or engaging a professional searcher. This super-fast service is due to the remote title search system that enables a title to be readily accessed with the minimum of available information.

In time the LANDATA inquiry service will be accessible throughout Victoria. Map sales are also available and that part of the service has not been satisfactorily explained. Applications for civil registration documents can be lodged. To save time and money one can lodge applications for birth, death and marriage certificates at the Bendigo Information Victoria Centre. Application forms are available at the centre and certificates will be posted from Melbourne.

The proposed legislation was conceived almost eleven years ago by a Liberal government. The LANDATA information system will be progressively improved over the next few years, regardless of which political party is in power. It will be of assistance to all Victorians.

Politicians have a responsibility to ensure that the information and the power that the system will provide future governments is not abused. I am astonished that so little is known or understood about the LANDATA system and I hope the Minister, through his department, takes the appropriate steps to inform the community about this system. The Minister should agree with the request made by the honourable member for Evelyn for a working party while the Bill is between here and another place. If the system is explained satisfactorily I do not believe there will be any political problems. Political problems will occur if people in positions of power abuse the system and the rights of individuals.

I hope the proposed legislation has a speedy passage through Parliament and that the Minister notes the points I have made. This new technology will provide great benefits to the community in the future, but may also provide some problems.

Mr JOHN (Bendigo East)—I support my colleague, the honourable member for Evelyn, who outlined the Opposition's policy on the Bill. I too support the general concept of LANDATA. It is of particular interest to me, having practised as a solicitor for more than twenty years and being aware of the problems that the old system could cause for practising solicitors. The pilot project has been established in my electorate of Bendigo East, and I welcome that initiative by the government.

The Bill is the second stage of the establishment of a centralised, computerised LANDATA system at the Land Titles Office. A number of Acts of Parliament have to be amended, including the Land Tax Act, the Valuation of Land Act, the Geelong Waterworks and Sewerage Act, the Local Government Act and a number of others.

I have a number of concerns about the Bill and they may be summarised as a loss of local knowledge of property ownership which is now affecting local government. The Bill does not provide sufficient information about the transfer of information back to the rating bodies. In other words, is information to be provided to local government, and how quickly will inquiries be answered?

Insufficient consultation has occurred and the drafting of the Bill leaves much to be desired, because it is sketchy in relation to prescribed people, details, times, forms and so on.

The LANDATA system should have a number of advantages. It should have the benefit of cheaper cost and greater speed. It should be a valuable planning aid, and it should be an important tool for solicitors, valuers and others dealing with property. It will also have a number of disadvantages and problem areas. There is a danger of an invasion of individual privacy in relation to ownership of property by individuals. The system will make it much easier to obtain information about one's personal affairs—one's wife, children, trust companies and a huge variety of information that can be obtained, potentially, under the system.

Having said that, I raise the problem of whether the information could be divulged by the government at some future time and, in particular, I point out that it could be a useful tool for a future government intending to impose a wealth or property tax.

I practised in this area of law for some years. Under the old system, when one acted for a vendor of land one was obliged to lodge a notice of disposition with various authorities. One of those notices of disposition had to be lodged with each of the municipal council, the sewerage authority, the Rural Water Commission, the Melbourne and Metropolitan Board of Works, the land tax office and other relevant authorities applicable to the area where the land was being sold. Also, the purchaser had to lodge a notice of acquisition. When the purchaser purchased the property, he or she, or the solicitor acting for the purchaser, would be required to make a search at the Land Titles Office on or before the execution of the contract.

If the purchaser wanted property or planning information, that could be obtained only from a title search, but it did not necessarily show the purchase price of the property unless one made a special search of the previously lodged transfer. The standard title search did not show the purchase price.

One also obtained certificates from all the authorities I mentioned earlier, necessitating a separate call at or application to each of those offices. Naturally, it was time consuming and not easy for a member of the general public to obtain the information now available through LANDATA. There is no doubt that LANDATA will provide easier access to that information.

A problem area is that provisions in the Bill give enormous regulatory powers to the Minister. The Bill should have been more specific in its drafting. The problem of invasion of privacy in the easier cross-referencing of title information is relevant. At present it is not hard for one to obtain information about a property owned by John Smith, but if John Smith is a director of various companies or a trustee of various trusts, or even a beneficiary

of certain trusts, it is a difficult and time-consuming procedure involving heavy costs to obtain that information.

Under LANDATA such cross-referencing will be instantaneous, causing consequent problems in terms of privacy and confidentially. Councils are frightened about the loss of local knowledge of property transactions, and they are worried about when they will receive this information from the government and whether it will be provided at a reasonable price.

I mentioned that the pilot project had been established at Bendigo, and I welcome the initiative of the government in that regard. However, I have spoken to legal practitioners in my city; I am advised that the project has not been working properly. I have been told that the service is not reliable and that it worked well for only the first week of its operation. Practitioners have told me that the equipment is not capable of handling the workload.

As a result of the unreliable service, some solicitors are still not using the system but prefer to continue to use professional title searchers on a contract basis. The costs of professional title searchers who do the job manually are still reasonable, at about $18 per search, including the $6 fee of the Land Titles Office. The search is made by the title searcher by application by letter or telephone, and a full search can be made quickly. In Bendigo the service has proved unreliable. That has resulted in delays in a number of settlements, including some important property settlements in which large amounts of money have been involved.

One can imagine the difficulties involved with the discharging of a mortgage and signing new mortgages providing the finance for the purchaser. Consequently there would be many parties with large amounts of money at stake while interest continued to accrue, and they need to be considered. The parties must come together on the day of settlement at an appointed time. If one cannot make the final title search immediately prior to that settlement there are only two choices—either abandon or postpone the settlement, or take a commercial risk if the interest factor is of great consequence.

I welcome the initiative of the government in establishing the system in Bendigo, but it will be of benefit only if the service is reliable and if the government takes steps to ensure that the machinery is capable of doing the job. People will then have confidence in the reliability of the system and the accuracy of the information. In that way, the costs will have to be less.

Mr W. D. McGRATH (Lowan)—I support the honourable member for Swan Hill on the Bill. He canvassed the National Party's position in relation to land transactions under the Land (Transaction Information) Bill. I know that my colleagues, Mr Wright and Mr Dunn, who represent the City of Bendigo in another place, will also express those sentiments, as has the honourable member for Bendigo East. They are pleased that the pilot scheme has been installed at Bendigo in order to facilitate a quick turnaround of some of the land transactions occurring in Victoria.

I have only one concern, and I express that on behalf of the Shire of Kowree. The shire secretary wrote to me on 15 February 1988:

Land (Transaction Information) Bill

Council at its February meeting discussed the proposed Land (Transaction Information) Bill which to council's understanding goes before State Parliament during the autumn session 1988.

In discussing this matter council resolved to write to you expressing their concerns regarding this Bill.

Under the current system each time a piece of land is transferred to another owner, it is the owner or owner's solicitor's job to inform council of who the land was transferred to and for how much. This then allows council to immediately maintain its records, and, allows the rates office to compare information on council's records with information provided.

Where there are any discrepancies a check with the vendor or his/her solicitor will provide a reason for any discrepancy.

The proposed legislation sees all information being forwarded to the Titles Office for them to record and then at the appropriate time forward new and amended information to rating authorities. No reference, to our knowledge, is made to councils receiving information other than from the Titles Office.

As you can imagine this new system would have obvious shortcomings in relation to local government authorities.

The main problem would be in the delay and cost involved in receiving land transfer information, and a query as to the accuracy of the information received. At the current time it is very doubtful whether the Titles Office would be able to cope with the proposal. This being the case there would possibly be joint departmental administration of the information between the Titles Office and the Valuer-General's Office. Such joint administration could only exacerbate projected problems.

It is interesting to note that at this time the Valuer-General's office already runs a service providing sales information throughout the State. The quality and accuracy of this service can be ascertained by the fact that private valuers firstly don't utilise the service, and, if they do compare the information with that available at the municipal offices.

Finally due to the peak periods that would occur with rating authorities requiring land transfer information, a real concern is the regularity of updates. Under the present system property information alterations occur within two months of a property sale. Once council has the transfer details, property information on council's records are checked and altered accordingly. With the proposed system, there has been no guarantee as to when information will be made available to rating authorities. A possible scenario is that when council wishes to forward its rate notices, no property changes have been available for 6 to 12 months. Let alone causing problems with following up on final notices, current year notices would be being sent to families of deceased persons, persons who haven't owned property for at least six months, and, charging of interest would be totally unfair on new owners who may never even receive a copy of their rate notice.

Council therefore demand that the Land (Transaction Information) Bill be voted out, amended or at the minimum deferred to allow total consultation with the local government sector who most directly will be affected by proposed changes in legislation.

Obviously, the Kowree Shire Council is concerned that there has been insufficient consultation on the way in which it will receive advice. I ask the Minister specifically while the Bill is before the House to explain whether regular updates about land transfers will be provided to municipalities by the Land Titles Office and whether appropriate information will be made available to them at regular intervals during the year.

The Kowree Shire Council has analysed the Bill; I am not sure how many other municipalities throughout Victoria have undertaken a similar review. I ask the Minister again to inform me whether information will be provided regularly to municipalities by the Land Titles Office in regard to transactions that have taken place. It is certainly a positive step to locate a branch office in Bendigo, but that office will service only that region.

I shall provide to the Minister the letter that I received from the Kowree Shire Council when I conclude my remarks. The council is asking specifically about information being provided to municipalities by the Land Titles Office so that they can maintain proper and accurate records in regard to property transactions and land rates.

Mr CROZIER (Portland)—As my colleagues on this side of the House have pointed out, the concept of LANDATA is not in serious dispute; its efficacy, however, is. As the honourable member for Lowan has just pointed out, municipalities in western Victoria—and certainly a number of them in the electorate of Portland—share the reservations that the honourable member for Lowan has expressed on behalf of the Kowree Shire Council. I believe those reservations are well founded. They stem largely from the fact, as the honourable member for Evelyn and other speakers have pointed out in this debate, that there has been insufficient consultation on this matter.

The people most concerned—the municipalities and municipal valuers—have not been brought into the preliminary discussions and the nuts and bolts of the construction of this scheme. If the accuracy is in doubt, the whole thing will break down. The old adage about garbage in, garbage out applies to the LANDATA super computer just as it applies to any other computer.

I might point out in this context that the much vaunted sales information provided by the Valuer-General's Office is held in such low esteem by municipalities in my electorate that I cannot think of anyone who continues to purchase those notes, because of the errors. There are errors in the South Australian system, which receives laudatory mention in the second-reading speech. In spite of the fact that its scheme has been operating for some time, I understand the South Australian government usually qualifies the information with the phrase, "Data shown hereon is not guaranteed by the South Australian government". I suppose honourable members have become so used to misinformation coming from the Victorian government that such a footnote would not be necessary!

I make particular reference now to two statements from the second-reading speech. They have been alluded to in the debate already, but they will stand a little more scrutiny. The first statement is:

> Information on change of ownership lodged at the Land Titles Office will be provided, in bulk, to the necessary rating authorities and utilities without the present cost and inconvenience to buyer and seller.

That statement, which sounds very desirable and plausible, raises some pertinent questions, such as: what information is to be provided? Will it be in sufficient detail for municipalities, valuers and other specialists who require more information than the simple recording of the change of ownership?

Who will provide the information? If it is to be the Land Titles Office, in view of its track record that I have described briefly, I am not sure that it will be of very much help. Therefore, it must again throw into relief the veracity of much of the information that will come from the LANDATA system. Further, how long will it take for this information to be provided? What is the likely time delay? How much will it cost? That is always an important consideration, and I am still unclear as to the answer to that question.

Who will be responsible for the errors? How will the errors, once detected, be corrected? Many people suspect, once again, that it will fall back on municipalities to do the hackwork, the correction, at their own cost, thus adding to the burden of administration and, consequently, the cost to the municipalities. I know that would be very good news to the Minister for Local Government and his colleagues, who are hell-bent on foisting onto municipalities all sorts of costs, provided they are not paid for from State government allocations but from that prime target of all true socialists and Fabians, the ownership of property and the taxes that are raised therefrom.

The second statement in the second-reading speech to which I refer is:

> The second aspect of the Bill is to facilitate the implementation of the LANDATA inquiry service. Once fully operational, . . .

I am not sure when that will be—

> . . . this service will be able to provide details quickly about specific properties, such as location and address, title particulars and ownership information.

Whatever the faults in the present system, at least it enables any member of the public to obtain, usually within a short period, from any municipal office during working hours, a certificate containing some very detailed information, including: a complete description of any parcel of Crown land within the municipality, its owner, location, area or frontage, parish, county, site value, net annual value and capital improved value, the rates levied on such property and to what date the rates are paid, plus any other outstanding charges and other information. For this comprehensive information the cost, I understand, is usually of the order of $6. That is a fairly reasonable cost for that type of information.

These comparisons must be made because, although there are obvious reservations and criticisms about the present system—because of the need for cross-referencing and so on—nevertheless the prime criterion must be accuracy. If accuracy cannot be achieved I suggest any new paraphernalia in any new system must also be suspect.

Another object of the Bill is to provide the public with a computerised public inquiry service on property. I do not believe the Bill makes any other reference to the public and, indeed, in the operative clause in that regard, which is clause 4, I believe, the reference is to "prescribed person", "prescribed period", "prescribed form" and so on. Therefore the public, as such, gets left behind in that regard.

Finally, in terms of my reservations, like colleagues in my party and also colleagues in the National Party, I have a very real suspicion that the prime purpose of the LANDATA system when it comes into operation will be to benefit the State government—particularly a government of the complexion of the current government which will facilitate one of the prime objectives of a socialist government; that is, to implement a comprehensive land tax system on all land in the State of Victoria.

The Minister for Property and Services may shake his head about that, but all honourable members know that that was a recommendation in the 1983 report to which reference has been made. It has never been conclusively or finally denied by the Premier or any Minister that that is an objective of the government and the Labor Party.

I should like an assurance from the Minister also that he is confident that the accuracy of the system can be guaranteed. I do not think he can give the system that guarantee. A senior valuer, who is a constituent of mine and for whose opinion I have great respect, advised me that he has considerable scepticism about the system and he has written a letter in the following terms:

> I have handled many thousands of land transactions over 30 years as a valuer and have helped to decide several hundred disputes over land problems, and I foresee the outcome of the Land (Transaction Information) Bill as an administrative nightmare.

I hope that does not occur, but clearly, if the procedure outlined and recommended by the honourable member for Evelyn is not followed, and if comments from members of the Opposition and the National Party are not heeded, and the Minister and the government are simply going to press on without the guarantees and the facility for serious consultation with the people who ought to be consulted in implementing a system of this sort, the quotation I referred to from an experienced valuer in my electorate, Mr Leeming, will unfortunately prove to have demonstrated prescience.

I present another suggestion of Mr Leeming for the consideration of the Minister, in conjunction with the consultation which ought to take place with interested parties and experts—that a reasonable half-way house be established, instead of the government going full bore into the LANDATA system, and that the system initially be run solely as a land identification register until its veracity and accuracy have been proven and its administration capabilities assessed.

I commend that suggestion to the Minister. In any case I conclude by again restating that, although the concept is not opposed by honourable members on this side of the House, many have serious reservations about the efficacy of the system, as rather vaguely outlined. Unless the assurance sought is given, as the honourable member for Evelyn pointed out on behalf of the Opposition, the Liberal Party will have no option but to again consider its position while the Bill is between Houses.

Mr WILLIAMS (Doncaster)—My good friend the honourable member for Portland will know that I have a special interest in LANDATA because of my firm belief in the efficacy of land tax collection on the site value of land. I know my colleague is a true Liberal; the Liberal Party is a broadly-based party. We can have divergent ideas and, so long as they are both liberal, we are entitled to those views.

I speak strongly in favour of the LANDATA system. It is vital, in my opinion, to have a fully integrated central repository of all information pertaining to land in this State. The data that should be on the computer must include legal, fiscal, geographical, environmental and other relevant details. Without LANDATA we can never have a truly just and

equitable tax system in this State, particularly in so far as it relates to the collection of land tax.

I am outraged that successive governments have never implemented the provisions of the Land Tax Act to require citizens to regularly submit details of all land owned by them. Instead, the State Taxation Office has chosen to rely on the absurdly inefficient and costly compilation of data by Victoria's 210 municipalities, all with widely differing degrees of efficiency or even of interpretation of valuation procedures.

The obtaining of adequate and correct land information in this State has been a nightmare. Until 1977 the land tax records were tabulated manually. This proved to be so cumbersome that records could be kept for only a tiny minority of the 1·25 million allotments in this State. Even with this restricted database, incorrect assessments are continually sent out to ratepayers. I understand the computer is still not working satisfactorily and this is creating a lot of hassles for solicitors, estate agents and others who are concerned with the speedy processing of documents in the Land Titles Office.

It is to be regretted that computerisation has still not eliminated the problem of errors occurring in the State Taxation Office. The municipality in the electorate I represent has relatively high site values and more than an average proportion of home owners in the electorate are forced to pay land tax. Many of them are concerned because they have invested their savings in land outside the electorate. Thay are annoyed at the inefficiency of the present system. I hope every effort will be made to improve the LANDATA mechanism.

I shall now briefly get on my hobbyhorse and impress on honourable members that if we had an adequate system of land taxation in this State we could collect something like $1000 million by an across-the-board land tax of no more than 5 per cent on the current site value of all land held by private persons and profit and non-profit bodies, both government and non-government.

I do not want to frighten my colleague, the honourable member for Portland. If we were to raise that $1000 million, I for one would accept that we should abolish other taxes, at least to the extent of $500 million—or even more, if that were deemed wise and expenditures could be cut.

Far worse taxes exist in our present tax structure than land tax; namely, the regressive stamp duties and other indirect taxes that press most severely on the lower income earners in our community. Even members of the Liberal Party are doing a great disservice by agitating for movement towards the imposition of extra taxes on the ordinary rank and file consumer.

Despite all the publicity given in the press recently about Australia being a highly taxed country, we are still one of the lowest taxed countries in the Western World, particularly on property and incomes earned by the top 1 per cent of income earners. There are approximately 25 000 millionaires, at least half of whom inherited their fortunes, and they own well over 10 per cent of the wealth of this country. Economic and social justice will never be achieved in this country until a proper tax system is formed with these people making a fair contribution to society's costs.

We abolished estate duty and capital gains tax—or, should I say, we did not have a satisfactory capital gains tax in the first place. Income taxes placed on people who produce goods for this country, who take risks and do all the other things necessary for a progressive economy should be reduced but, at the same time, I am not impressed by the many people involved in the various tax avoidance schemes, including overseas tax havens that allow people to avoid a proper tax system. This is all the more reason why we need an efficient method of tax collection in this State.

Taxation on site values is an appropriate method for taxing the unproductive and the speculators and those people who use inside information on the stock exchange to reap fortunes from the unearned increment gained from government action. The government

places value on land through spending money on roads, sewerage, and power, and particularly by zoning decisions.

Thousands of millions of dollars have been made by people who own shopping centres because councils rezone the land so that shops can be put on it and, because these people are in a monopoly situation, they charge excessive rents to retail tenants and reap all the benefits. Then, when the land tax bill comes in at the maximum rate of 3 per cent, they spread the burden among all of those tenants at the maximum rate.

I thoroughly support the Bill. I hope sooner or later either a Liberal government or a Labor government will implement an across-the-board land tax in this State and will do away with all these anti-worker taxes and anti middle-class taxes. I should think that 90 per cent of Victorians would vote for proper tax reform in this country if they were told the truth in the newspapers.

Mr SPYKER (Minister for Property and Services)—First of all, I thank honourable members for their contributions. As was outlined by the honourable member for Evelyn, an honourable member for South Eastern Province in another place, Mr Hunt, when he was Minister, and the honourable member for Benambra, initiated this type of legislation. For LANDATA to succeed, it really needs the cooperation of all parties concerned. It is not something the government or Parliament can make happen unless it has full support. I shall try to answer a number of the matters raised in the time I have available but I shall have to take some matters on notice because they require detailed answers.

First of all, it is quite true that LANDATA is not well known throughout Victoria and that is the reason for establishing the pilot project in Bendigo. Some problems have arisen in Bendigo, but that normally happens with pilot projects. The reason for selecting an area such as Bendigo for the project is that it could be isolated and easily examined to see how efficiently the system worked.

Issues have been raised about security and ensuring that privacy is protected. No other honourable member in this place would be more concerned than I am about protecting privacy in this complex society where technology enables data to be much more easily collected not only by governments but also by private industry. A wealth of information is available through computer systems.

The LANDATA system does not provide any more information than is currently available; however, it provides information at one source rather than at a number of different locations, so again I assure the House that the information given by LANDATA is no more than is already available.

A number of other issues were raised relating to information that local government may want. I give the House an undertaking that no information will be given without the knowledge of the local authorities and if municipalities seek information from LANDATA the government will negotiate with them on what information they may have. It will not be a case of automatically saying, "We will give you this information whether you want it or not." The government will be asking whether people need it.

It will be necessary to negotiate with all of the authorities for the system to work. These measures have been on the agenda for about eleven years and they are finally coming to fruition and, I suppose, in some ways I am asking Parliament to accept the undertakings I give in good faith. I shall work through the issues and I assure the House that I shall act in the same manner as I have acted on other proposed legislation. The House has my word that I shall carry out those undertakings both in my capacity as a Minister and also in working with all of the bodies concerned. Only when cooperation occurs with all bodies will the system work.

Mention was also made of the accuracy of data, which is absolutely vital. One cannot afford inaccuracies in the information given out. Of course, computers are always accurate; it is the information that is fed into them that causes the problems. The base for information used for the LANDATA system is the public register at the Land Titles Office. That is the

only legal information available concerning the ownership of land and it will be the base for information fed into the LANDATA system.

The system will still be dependent upon the records of properties kept by councils and the existing procedure of notification and providing information will continue, but the system will be based on the Land Titles Office public register, which will once again be dependent on the cooperation of the bodies concerned.

The honourable member for Evelyn also mentioned a working party to be established by a number of organisations with an interest in this area. I am happy to arrange a meeting initially, while the Bill is between here and another place, with those bodies to iron out any problems or answer queries raised in the House today. It appears that a working party is considered necessary by the bodies concerned for the monitoring of the process of implementation of the LANDATA system, and I am happy to accommodate this request, including an examination of the appropriate fee to be charged by the Land Titles Office.

Honourable members will be aware that the fee for the provision of basic information from the Land Titles Office is $6. I have been told that title searchers charge a fee of between $15 and $25 for their services. Those people work closely with the Land Titles Office. They often arrive early in the morning at the Land Titles Office, obtain the information they require and despatch that information throughout Victoria.

It is appropriate that the services of title searchers are retained so that their clients are provided with quick and accurate information. Title searchers have expressed some concern that their livelihood will be threatened because of the fee of $6, which is also being charged in the pilot project established recently in Bendigo.

When I was asked about the level of fee to be charged in that pilot project, I suggested that it should remain at its present level, because of the teething problems involved with the implementation of the project. Once it has been proved that the system works efficiently, it can expand into other areas and provide more information than is currently available. I shall be happy to have discussions about the appropriate fees to be charged for the services that are provided.

Local government has expressed some concern about the effect of the Bill on the revenue it gains from the provision of certain information. Councils are concerned that if information is to be obtained from a centralised data bank one of their sources of income would be removed.

I have explained to local government, on a council-by-council basis, that I would be happy to negotiate with individual councils about how information is to be provided in certain areas. Some local councils have told me that they would like to operate as agents for the data bank. I am willing to agree to that, because it is not my intention to have officers of my department serving all of rural Victoria. I am sure that local councils in country areas can provide an information service adequate to their ratepayers' needs. If those local councils require a link to a centralised computer system, that can be arranged.

The government has taken an important step forward by efficiently providing information to the public on a one-stop-shop basis. Figures that have been made available to me suggest that property transactions are taking place at an increasing rate. It is important that the government provide a speedy and efficient information service to all the parties concerned in those transactions.

I assure the House that any involvement local government wants to have in the expansion of the system will be considered. The government does not want to impose on local government a system that local government does not want. It would be a good idea if councils in rural areas want to operate a data bank system. It would mean that information services would be decentralised. Honourable members should be aware of the queues that form in the Land Titles Office. It would be of great benefit to all Victorians if information services could be dispersed throughout the State.

I thank the honourable members who spoke for their contributions to the debate. I have made notes of the questions that honourable members asked, and I shall ensure that they are provided with the information they seek—information that is important to their constituents and to many people around the State.

I am willing to arrange for further briefings on the Bill for honourable members. The launch of the pilot project at Bendigo gave honourable members from both sides of the House the opportunity of seeing what was involved. It was a learning process not only for them but also for me. As the honourable member who is interjecting would know, I have never claimed to have all knowledge!

To sidetrack, I am often amazed when I watch my children using computers. The way they press the keys gives me the feeling of being in a lost world; sometimes I have the feeling I am centuries behind them! My children are very comfortable in dealing with computers.

It is difficult to keep up with the latest technology. The Bill provides the opportunity of using technology for the benefit of all Victorians by providing a better information service throughout Victoria. Often people say that the use of technology leads to an abuse of individual rights. I believe the Bill provides for a system that not only will protect the privacy of Victorians but also will provide them with a speedy and accurate service, a service to which they are entitled.

I again thank honourable members for their contributions. The questions they have asked during the debate will be answered promptly.

The motion was agreed to.

The Bill was read a second time and, by leave, the House proceeded to the third reading.

Mr SPYKER (Minister for Property and Services)—I move:

That this Bill be now read a third time.

Mr PLOWMAN (Evelyn)—I thank the Minister for the undertakings he has given to the House—especially for giving his word that the questions raised during the debate will be answered. The questions were raised initially by responsible organisations and responsible individuals; they were not asked flippantly. If the questions are answered, the system that the Bill sets up will have unanimous support.

The Minister has given an undertaking that he will convene a meeting of all interested parties—as I suggested in the second-reading debate. The Minister has also given an undertaking that if, following such a meeting, those interested parties want to establish an ongoing working party, he will set up such a working party.

I assume from what the Minister has said that the questions raised by the title searchers' association—including the question of fees—will be answered while the Bill is between Houses. If those problems are resolved satisfactorily, I am sure the Bill will have a speedy passage through the other place.

The motion was agreed to, and the Bill was read a third time.

BUILDING CONTROL (GENERAL AMENDMENT) BILL

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

Council's amendments:

1. Clause 2, line 11, omit "8, 9, 14, 20, 26 and 27" and insert "9, 10, 13, 16, 22, 28 and 29".
2. Clause 2, line 13, omit "8, 9, 14 and 20" and insert "8, 9, 10, 16 and 22".
3. Clause 2, line 15, omit "26 and 27" and insert "28 and 29".
4. Clause 8, lines 29 to 37, omit all words and expressions on these lines and insert—

' "(6A) At the time of lodging an application, an applicant may inform the Co-ordinator that he or she wishes to obtain the certificate of a person holding a current certificate issued under section 118A in place of the consent of a specified relevant authority.

(6B) A person holding a current certificate under section 118A may certify that an application complies with the requirements of a relevant authority and any law governing, or administered by, the relevant authority.

(6C) The person providing the certificate must not exercise, or purport to exercise, any discretion of a relevant authority other than a discretion declared by the building regulations to be a discretion exercisable by a person holding a current certificate under section 118A.

(6D) A person providing a certificate must—

(*a*) state on the certificate whether or not an application still requires the relevant authority to exercise a discretion; and

(*b*) comply with any prescribed requirements concerning the certificate or the provision of the certificate.

(6E) If a certificate states that a discretion still has to be exercised, an applicant may send the certificate with the application for consent to the relevant authority and the relevant authority must consider the application as if it had been made under sub-section (6).

(6F) If a certificate states that no further discretion has to be exercised by the relevant authority, the certificate may be used in place of the consent of the relevant authority."; and'

5. Clause 8, after line 39 insert—

'( ) for sub-section (11) substitute—

"(11) Despite sub-section (9), the Co-ordinator does not have to forward an application to a relevant authority if sub-section (6) or (6A) applies with respect to that authority."; and'.

6. Clause 8, page 5, lines 1 to 5, omit all words and expressions on these lines and insert—

"(ii) require notice of an application to be given to an owner of adjoining property and—

(A) the Co-ordinator is satisfied that all adjoining owners entitled to the notice were given the notice; and

(B) the Co-ordinator did not receive any written submission concerning the application from an adjoining owner within the prescribed time; and".

7. Clause 8, page 5, lines 14 to 33, omit all words and expressions on these lines and insert—

"(16A) If—

(*a*) an application involves a variation to a regulation made under section 25 (*k*) or (*l*); and

(*b*) the regulations require an applicant to give notice of an application to all owners of adjoining property; and

(*c*) the Co-ordinator is satisfied that any written submission concerning the application made by an adjoining owner has been rejected; and

(*d*) the Co-ordinator is satisfied that—

(i) all adjoining owners who did not make a written submission were given notice of the application; and

(ii) the time available for the making of written submissions has expired; and

(*e*) all the consents and certificates needed have been received by the Co-ordinator or have been deemed to have been given; and

(*f*) any other requirements of this Act and the building regulations have been complied with—

the Co-ordinator must give the applicant written notice that building approval is to be granted and the names of all adjoining owners who made a written submission concerning the application.

(16B) The applicant must cause to be given to all the adjoining owners named in the notice provided by the Co-ordinator notice in the prescribed form that building approval is to be granted to the applicant.

(16C) If the Co-ordinator—

(*a*) is satisfied that sub-section (16B) has been complied with; and

(*b*) has not received written notice of appeal under section 53 within 7 days of the last notice being given under sub-section (16B)—

the Co-ordinator must grant building approval.

(16D) The Co-ordinator may require a statutory declaration from an applicant for the purposes of sub-sections (16) (*a*) (ii), (16A) (*d*) and (16C) (*a*).

(16E) Despite anything in section 53 (2), an adjoining owner may lodge an appeal under section 53 at any time if the owner did not receive—

(*a*) notice of an application, if the regulations required notice to be given to the owner; or

(*b*) notice under sub-section (16B).

(16F) An owner of an adjoining property may lodge an appeal under section 53 (2) before receiving notice under sub-section (16B).

(16G) If an appeal under section 53 (2) is brought after building approval has been granted, the Building Referees Board may determine the matter as if building approval had not been granted.".

8. Clause 14, page 8, lines 1 to 3, omit all words and expressions on these lines and insert—

"(*a*) the consent allows a variation of a regulation made under section 25 (*k*) or (*l*); and".

9. Clause 14, lines 12 to 13, omit "20 (16A)" and insert "20 (16B)".

10. *Insert the following new clause to follow clause 7:*

'Change to application of building regulations to the Crown.

A In section 17 of the Principal Act—

(*a*) for sub-sections (2) and (3) substitute—

"(2) A government department, public authority or council may apply for a direction under sub-section (3) or (3B).

(3) The Minister may direct a Co-ordinator or a relevant authority to refer to the Minister an application for building approval or the consent of the relevant authority by a government department, public authority or council if—

(*a*) not less than 21 days have elapsed since the application was lodged; and

(*b*) the Minister has consulted with the Co-ordinator or the relevant authority (as the case may be); and

(*c*) the Minister considers that the over-riding interests of the State require that the application be so referred.

(3A) The Co-ordinator and the relevant authority must comply with the direction and must not proceed further with the application.

(3B) Despite sub-section (3), if the Governor in Council considers that in the interests of security the plans or other documents relating to any proposed Crown building work should not be made public, the Governor in Council may direct that the application for building approval, or the consent of a relevant authority, with respect to the building work be lodged with the Governor in Council rather than with a Co-ordinator or relevant authority.

(3C) Any drawings or specifications lodged with the Governor in Council must be certified by a qualified building surveyor to the effect that they comply with the building regulations.

(3D) The Governor in Council or the Minister may grant any application referred to the Governor in Council or the Minister, with or without conditions.

(3E) A determination by the Governor in Council or the Minister is final and is not subject to review or appeal except in the Supreme Court on a question of law.

(3F) Subject to sub-section (3C), the granting of building approval or consent by the Governor in Council or the Minister has effect as if it were made by the Co-ordinator or the relevant authority (as the case may be).".'.

11. *Insert the following new clause to follow clause 11:*

'Disallowance of building regulations by Parliament.

B In section 26 (1) of the Principal Act—

(*a*) in paragraph (*x*), for "regulations; and" substitute "regulations;"; and

(*b*) after paragraph (*y*) insert—

"(*z*) be disallowed in whole or in part by resolution of either House of Parliament in accordance with section 6 (2) of the *Subordinate Legislation Act* 1962, and any such disallowance is deemed to be disallowance for the purposes of that Act.".'.

Mr ROPER (Minister for Planning and Environment)—I move:

That amendment No. 1 be agreed to with the following amendment:

Omit "9, 10, 13, 16, 22, 28 and 29" and insert "8, 9, 15, 21, 27 and 28".

The motion was agreed to.

Mr ROPER (Minister for Planning and Environment)—I move:

That amendment No. 2 be agreed to with the following amendment:

Omit "8, 9, 10, 16 and 22" and insert "8, 9, 15 and 21".

The motion was agreed to.

Mr ROPER (Minister for Planning and Environment)—I move:

That amendment No. 3 be agreed to with the following amendment:

Omit "28 and 29" and insert "27 and 28".

The motion was agreed to.

Mr ROPER (Minister for Planning and Environment)—I move:

That amendment No. 4 be agreed to with the following amendment:

In proposed sub-clause (6C), omit "of a relevant authority other than a discretion declared by the building regulations to be a discretion exercisable by a person holding a current certificate under section 118A" and insert "which the building regulations state is only to be exercised by a relevant authority".

The Council's amendment would have significantly reduced the effectiveness of one of the main principles of the Bill, that is, the introduction of private certification to assist both industry and local councils, even though all local councils may not appreciate it. The government believes the amendment made by the Upper House went too far. It would have severely restricted the areas in which the private certifier could have been involved.

What is proposed in its stead—which I hope the Legislative Council will agree to—will leave the private certifiers to carry out discussions but not to carry out discussions which are, in the normal course of events, the particular responsibility of a relevant authority—which, in almost all instances, means a local council. So it will ensure that local councils continue to play their role, also ensuring that private certifiers can effectively be used by industry.

In developing this concept I emphasise that the government wishes to continue to work closely with the Housing Industry Association, the Master Builders Association of Victoria and the Municipal Association of Victoria. The government is pleased with the support it has received from bodies such as the Housing Industry Association which, in a telex to me only last week, strongly endorsed the government's position and made it clear that it was happy with the amendment I have just moved. I have given commitments to work through the technical committee in developing the regulations and in ensuring that the important aim of private certification can work effectively.

Mr HEFFERNAN (Ivanhoe)—I support what the Minister has just said. The key issue of the Building Control (General Amendment) Bill is private certification. The private sector has been waiting for the introduction of this provision. I hope the Minister will check with local government to ensure that it cooperates with the private sector and private certifiers, and that everything is done to ensure that the private certifier is encouraged, being an outsider in the local government area. It is most important that local government accept this system. As the Minister said, the system has received full support from the private sector.

The motion was agreed to.

Mr ROPER (Minister for Planning and Environment)—I move:

That amendments Nos 5 to 9 be agreed to.

The motion was agreed to.

Mr ROPER (Minister for Planning and Environment)—I move:

That amendment No. 10 be disagreed with.

I shall explain what the amendment seeks to do. If accepted, it would introduce a new Crown applications procedure so that applicants would have to deal with local government in a way that they currently do not undertake. As honourable members are aware, from time to time Premiers from both parties have sent out instructions to governments to work with local councils. In most areas, few complaints have been made. The amendment made by the Upper House would introduce a situation in which the building of a gaol, public building or whatever would have to be supervised by a council building inspector in the same way as any private building is inspected.

There are three reasons why that proposal is inappropriate: firstly, the government, either directly or indirectly, employs people with the talents that are required to carry out inspections to ensure that a job is satisfactorily performed; secondly, it would place additional responsibilities on government in carrying out those activities in a matter that I do not think is necessarily understood by the proponents of the amendment; thirdly, it would be without fee, so that municipalities would not receive payment for carrying out what would be a decision of this Parliament in requiring them to inspect buildings.

One can imagine the enthusiasm that would be brought to the task! One can also imagine that the building of police stations, gaols and hospitals would not really be at the top of the list of priorities of councils. For those reasons, the amendment should be disagreed with. Given the quality of work performed by departments in the normal course of events, the amendment is not necessary. The government has looked at ways in which it can work more closely with local government. The amendment would cause delays in the construction of government buildings, even if it were appropriate that they be inspected in this way.

The motion was agreed to.

Mr ROPER (Minister for Planning and Environment)—I move:

That amendment No. 11 be agreed to.

The motion was agreed to.

It was ordered that the Bill be returned to the Council with a message intimating the decision of the House.

NATIONAL PARKS AND WILDLIFE (AMENDMENT) BILL

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

Council's amendments:

1. Clause 8, page 4, lines 33 to 39, omit all words and expressions on these lines and insert—

"(3) A notice under sub-section (1) prevails over any inconsistent—

(*a*) regulation made under this Act; or

(*b*) licence, permit or other authority to take destroy or hunt any particular kind or species of wildlife issued under this Act.

(4) At least 72 hours before publishing a notice under sub-section (1), the Minister must publish a notice in a newspaper circulating generally in the area likely to be affected by the notice under sub-section (1) stating that he or she intends to publish that notice.

(5) A notice under sub-section (1) is a statutory rule within the meaning of the *Subordinate Legislation Act* 1962.

(6) A notice under sub-section (1) may be disallowed in whole or in part by a resolution of either House of Parliament made in accordance with section 6 (2) of the *Subordinate Legislation Act* 1962.

(7) Disallowance of a notice under sub-section (5) is deemed to be disallowance by Parliament for the purposes of the *Subordinate Legislation Act* 1962.".

2. Schedule, Part B, item (*c*), omit "2500" and insert "2493".

Mr CATHIE (Minister for the Arts)—I move:

That amendment No. 1 be agreed to with the following amendments:

1. Omit proposed sub-clause (5) and insert:

"(5) Sections 5, 6, and 6A of the *Subordinate Legislation Act* 1962 apply to a notice under sub-section (1) as if that notice were a statutory rule within the meaning of that Act.

(6) A reference in section 5 (1) of the *Subordinate Legislation Act* 1962 to the publication of notice of the making of a statutory rule must be read for the purposes of this section as a reference to the publication of the notice under sub-section (1).".

2. Omit "(6)" and insert "(7)".

3. Omit "(7)" and insert "(8)".

Clause 8 seeks to substitute a proposed new section 86 in the Wildlife Act and provides for closure notices and notices to control the taking of wildlife in particular areas, and so forth. Clause 8 was amended in another place to provide a proposed new section 86 (5) so that a notice will be a statutory rule within the meaning of the Subordinate Legislation Act.

The government is proposing to further amend the proposed new subsection to provide that a notice will be deemed a statutory rule only for the purposes of disallowance by Parliament. The amendment has been framed to omit the proposed new subsection (5) and to insert two new subsections numbered (5) and (6). Subsequent amendments simply renumber the proposed new subsections.

Mr LIEBERMAN (Benambra)—On behalf of the honourable member for Syndal and the shadow Minister for Conservation, Forests and Lands in another place, the Honourable Marie Tehan, I agree to the amendment made in another place by the Opposition. I wish to clarify a matter which might have caused a slight misunderstanding and which may need to be reviewed by the government and the Opposition.

The way the amendment is framed it states in the second part:

Omit "(6)" and insert "(7)".

The third part is worded:

Omit "(7)" and insert "(8)".

If the effect of the adoption of those amendments is to preserve the words contained in subclauses (6) and (7) of the amendment made in another place by the Honourable Marie Tehan, the Opposition is happy with the overall effect of the government's amendments. That would mean the notice by the Minister would operate as a statutory rule and thus enable Parliament to disallow a regulation through the medium of a resolution of either House of Parliament. That is the intention of the government and the Opposition. I wish to ensure that there is no difficulty in the final printing of the Bill.

Briefly, the Opposition thanks the Minister for Conservation, Forests and Lands for her ready acceptance of the principle that these sorts of actions, which are often arbitrary and arise in emergencies, should be scrutinised by Parliament to safeguard the interests of everyone concerned. I congratulate the Minister on accepting the principle, enunciated by the Opposition and the National Party for a considerable time, that all regulations should be able to be disallowed by either House of Parliament and not by both Houses.

That concept conforms with most Parliaments in Australia, especially the Commonwealth. It is a pity that the Victorian government took so long to adopt that principle. It seems to have been achieved as a result of consensus. That is good for Parliament.

Mr B. J. EVANS (Gippsland East)—I hope the government has learnt a lesson from the requirement for this amendment because the National Party, together with the Opposition, has given notice that it no longer intends to allow regulation-making powers

to remain outside the scrutiny of Parliament. This situation has arisen because of a change in the committee structure a number of years ago.

Previously regulations were subject to examination by the Subordinate Legislation Committee, which comprised equal numbers of the three parties represented in Parliament. That structure meant that the government did not have control over the committee. In its many years in existence, the committee has always acted on a purely nonpartisan basis and has served a valuable purpose.

In the past, governments were able to live with that arrangement and the committee has never presented any problems. When the committee structure was changed some years ago, the government party took control of the committee that examined regulations made under the various Acts. The National Party and the Opposition believed the regulation-making powers were no longer subject to scrutiny in the same way that they had been in the past. In one instance the committee divided along party lines and the argument used was that the change represented an amendment to the policy that the committee would not recommend disallowance of a regulation. That seemed to conflict with the concept of a democratic Parliament.

That view is held strongly throughout the Westminster system. It is established on the basis that questions of policy should be decided by Parliament and not by government through regulations. It has strengthened the resolve of the National Party that this type of provision must be inserted in every Act of Parliament because one never knows what may be done by a government which is not concerned about the views of the people of the State represented by members of Parliament and which may be inclined to make changes in policy through regulations instead of Acts of Parliament.

The National Party gives notice that it intends to ensure that this type of provision is inserted in every Act and hopes the government has learned a lesson and will draft legislation that includes that provision to save the National Party going through this ritual regularly.

Mr CATHIE (Minister for the Arts) *(By leave)*—In response to the honourable member for Benambra, my understanding is that agreement has been reached and that these amendments give effect to that agreement.

The motion was agreed to.

Mr CATHIE (Minister for the Arts)—I move:

That amendment No. 2 be agreed to.

The motion was agreed to.

It was ordered that the Bill be returned to the Council with a message intimating the decision of the House.

LAND (GOONAWARRA GOLF COURSE) BILL

The debate (adjourned from March 10) on the motion of Mr Walsh (Minister for Housing and Construction) for the second reading of this Bill was resumed.

Mr HAYWARD (Prahran)—Superficially the Bill is simple and small, but it has a complex background and involves some fundamental principles. The Bill pertains to a golf course that was constructed by the then Housing Commission in conjunction with what was called the Goonawarra subdivision in the Shire of Bulla.

Under the terms of the negotiated agreement, on completion the Goonawarra Golf Course was to be leased to the Shire of Bulla for five years, at which time the council had the option to purchase the land on very attractive terms. As part of this agreement, a private golf club was established by Development Management Services, the developer engaged by the then Housing Commission. A tripartite agreement involving the Housing

Commission, the council and the club was entered into, which was formulated on the following basis: the council would lease and maintain the golf course for the Housing Commission; the council would in turn lease the established clubhouse to the club; the club would have certain rights, including long-term tenure and exclusive rights on the course; and the club would pay a rental based on membership to the council for the exclusive rights enjoyed. That lease was finalised in December 1981.

The situation was that the Housing Commission, now the Ministry of Housing and Construction, owned the golf course and the land on which it was built. It leased the golf course to the Shire of Bulla and, as part of that lease, it had the option to purchase the golf course for $800 000, interest free, over 25 years. In other words, it had advantageous terms. The lease operated for five years from December 1981 to December 1986.

Under the terms of the sublease, the shire leased the clubhouse to the private golf club—the Goonawarra Golf Club—and, as part of that arrangement, exclusive playing rights were established for golf club members. Those rights were quite extensive. For example, they extended from dawn to 2.30 p.m. on Saturday—prime playing times; from 11 a.m. to 1 p.m. on Sunday; and from 9.30 a.m. to 1.30 p.m. on Tuesday. There was an additional provision for what were called "days of special events." In other words, during the year the club would advise the shire that it was taking over the exclusive use of the golf course for what it stipulated as special events.

That is the background to the Bill. The significant point is that although the shire had been given the opportunity of purchasing the golf course at very advantageous terms, $800 000, interest free, over 25 years, it failed to take up the option before the expiry date of December 1986. The shire has subsequently stated—I believe this is a reasonable summary of its position—that, because the exclusive playing rights of the private club were so extensive, it did not have sufficient opportunity through the collection of green fees at non-exclusive playing times and from club rental to gain sufficient revenue to justify the continued maintenance of the golf course. The shire had spent a significant amount of money over that period to bring the golf course up to the required standard and then to maintain it at that standard. Over a period it lost a considerable amount of money on the operations of the golf course, which loss was borne by the ratepayers of the Shire of Bulla. I understand that annual loss has not continued and the shire is now operating the golf course more or less on a balanced financial basis.

Another aspect of this complicated story is that an ongoing dispute existed between the shire and the club. I do not believe it is being too emotive to suggest that that dispute at times became quite acrimonious. This is obviously an unsatisfactory position. The golf course is more or less in limbo, and the community is confused as to the future.

With that background, after extensive discussions were undertaken with the shire and the club, and attempts were made to get them together, the government decided to intervene by introducing this Bill. A quick summary of the effects of this Bill is that it will revive the lapsed option of the shire to purchase the golf course from the Ministry of Housing and Construction under the original conditions, set out in clause 4; in other words, at a price of $800 000, interest free, over 25 years.

The other main effect of the Bill is to vary the sublease between the shire and the Goonawarra Golf Club so that the previously stipulated exclusive playing times for the club will no longer prevail. The shire and the club are required to negotiate a new agreement for those exclusive playing times. There is a stipulation in the sublease that in the event of no agreement being reached—and, sadly, there is a high risk of disagreement between the club and the shire based on history—the Minister can determine what those playing times will be.

Clause 6 is the operative clause for the variance of the sublease and the new sublease is set out in the schedules. Schedule 2 contains the formula for arriving at the rental to be paid. From discussions I have had, I understand that is not a matter of controversy. It

appears that it is accepted by the parties. Schedule 7 provides guidance to the Minister in his intervention, if there is disagreement between the shire and the club.

Unfortunately, the Bill raises a number of fundamental and serious problems, and it is important to identify them. The first is that the shire and the club already have a binding contractual agreement, under common law, which gives the parties various rights and responsibilities. One of the most valuable rights of the club is the right to exclusive playing time. The Bill will intervene and will use the sovereign power of this Parliament to change those rights. That is a serious matter and is a power that any Parliament must be wary of, and one that it should be reluctant to use. I understand that the Goonawarra Golf Club is upset, or even angry, about this Bill because it believes its rights are being taken away. That is the first basic principle that I flag at this stage.

A second problem is that the Bill restores the lapsed option to the shire to purchase the golf course at a very advantageous price, $800 000 interest free over 25 years, even though the shire did not take up that lease within the prescribed time. I have already outlined to the House why the shire did not take up that option, and it is perhaps understandable why it did not do so. It is important to raise the issue.

It has been strongly put to me that the land is worth a great deal more and if the government followed the prescribed path it has adopted in other situations and put the land on the market—rather than selling it for $800 000—perhaps it would sell for $4 million or $5 million. That is an exaggerated prospective price because the land would have to be sold subject to the existing agreements. In other words, the land would have to have a continued use as a golf club and it would be subject to the leasing arrangements and to the exclusive hours of the private golf club.

A final matter that troubles me is that the Bill provides almost dictatorial power to the Minister over the private club. I do not say that in an emotive or attacking sense. I am reporting what has been said to me by the club. The club could well say, "There will inevitably be disagreement between the shire and ourselves as to the exclusive playing hours, and the matter will then go to the Minister who will play Big Brother and we will be at his mercy. Perhaps for some reason the Minister may decide to unduly favour the shire and our equity will be undermined."

Those are the three problems that my party finds in the proposed legislation. Despite those problems, the Opposition does not oppose the Bill. The motivating factor behind its decision is that an unsatisfactory situation surrounds this golf course. There appears to be much disharmony and ill will arising out of the original agreement.

The situation is unsatisfactory for the local community as well. The shire properly says that the golf course is built on public land and it was built with public money. The course has been maintained with public money, the funds of the shire. The ratepayers of the shire have been forced to bear considerable accumulated losses over the years because of high maintenance costs and other expenditure. Despite that heavy burden on ratepayers, in the opinion of the shire, the local community has inadequate access to the golf club.

For those reasons the Opposition does not oppose the Bill. However, one must consider the position of the club, which will have one of its existing common law rights removed; that is, the right to have specific hours. A heavy responsibility is placed on the Minister to act with equity in the matter to ensure that the club's rights are not adversely affected. The Opposition will be monitoring the situation. I ask the Minister to keep me advised about the matter. If the club is unduly discriminated against the Liberal Party in government will review the matter and, if necessary, make amendments to the legislation. However, that would be a last resort.

It is unfortunate that the matter has required legislation and it would be unfortunate if it required further amendment because that brings about uncertainty. If the situation became inequitable, certainly the Liberal Party in government would reconsider it. I hope the Minister keeps this matter in mind and uses wisdom, judgment and fairness in dealing

with the situation to ensure that the club is not dealt with harshly or unfairly. The Opposition does not oppose the Bill but it arrives at that situation with some reluctance because of the problems and the important principles I have outlined.

Parliament is responsible to pay close attention to the way public funds are expended to ensure that the public interest is protected as well as the interests of members of private clubs. There is also a heavy responsibility on Parliament to ensure that the interests of the whole community are protected. In the Opposition's assessment and judgment, the current situation is not satisfactory for the local community and it is highly desirable that the situation be placed on a more satisfactory basis.

Mr J. F. McGRATH (Warrnambool)—It is sad that the Land (Goonawarra Golf Course) Bill must be debated. Every effort has been made to sort out the conflicts that exist but it has not been possible to do so. Obviously, the government is left with no alternative but to introduce the measure.

Certainly, if honourable members have followed the history of the Goonawarra subdivision and the subsequent development of the Goonawarra Golf Course they will know that an agreement was made which should have facilitated the ongoing development of the course and the ongoing growth of the club with harmonious relationships between it and the Shire of Bulla. When one meets with the Shire of Bulla—as I have—and with the representatives of the golf club, one begins to identify with the depth of feeling and the diverse views each party holds.

The Bill provides for the sale of the course for the original amount of $800 000 to the Shire of Bulla on an interest-free arrangement over 25 years. That will allow the shire to put in place contractual arrangements for the development of the course over a period. Although I have not visited the course, I understand it is well developed but there is always room for further developments to be made; I understand that will happen over time.

Some matters of concern have been expressed to me. I refer to the investment that the club states that is has made in its clubhouse of $134 000 and the effect of clause 7, which deals with the matter of there being no compensation for the club's investment. Perhaps the Minister can clarify that matter in his reply. Also of concern is clause 5 (3):

> A person (other than the municipality) . . .

Perhaps the Minister will explain what is meant by that phrase. It could be straightforward, but it appears there is the possibility of another person becoming involved. I should like to know if that is what is intended by that line.

Rental is also mentioned, but a major concern—and it is probably the basis for the ongoing success of this new arrangement—is the hours allocated to the club to allow it to have the right proportion of hours available to the public to make it a multi-use club divided between the club members and the public. Schedule 7 of the Bill leaves the hours of the club playing rights to be determined by the Minister after discussions with the appropriate bodies. The golf club is concerned that its playing hours will be restricted to the point that it will limit its ability to grow as a club. The club should be allowed to provide attractive tournaments with other golf clubs, whether they be social golf clubs or not, to enable it to grow and to provide the necessary services. The Goonawarra Golf Club is a licensed club; it has bar services and provides food. If the club can attract a large number of competitors, that would help its overall viability.

Although the National Party supports the proposed legislation—because it is the only course of action left open to the government—there are areas of concern, particularly in relation to the hours of play, which are not defined in clause 3 of the Bill.

I reiterate the words of the honourable member for Prahran, who said that if the proposed legislation does not work in the way in which it is hoped, the Opposition would seek to do something about it, as would the National Party.

It is important to continually review the legislation when it is operating, because having taken this step—and it is a precedent-setting step—it must be followed through. The Bill seeks to provide the opportunity for a joint-use venture which, according to many, has not happened in the past. We are talking about taxpayers' money, and in some cases it is the ratepayers of Bulla who have contributed; therefore, the public must have access to the course.

One must recognise the contribution and the position of the golf club, and the National Party wants to ensure that the arrangement put in place by the Land (Goonawarra Golf Course) Bill operates satisfactorily.

I ask the Minister to respond to the questions I have raised. The National Party supports the Bill and wishes it a speedy passage through Parliament. I hope the Bill corrects the present intolerable position. It has been a lengthy exercise, as the honourable member for Prahran detailed, and we hope the arrangement established by the Bill will work.

Mr REYNOLDS (Gisborne)—It is with some trepidation that I speak on the Bill, given that I have been the local member for the area since the course came into existence. Living not far from the golf course, I am aware of what a windswept plain it was prior to the advent of the Goonawarra housing development and, of course, the Goonawarra Golf Course. The golf course has made the Goonawarra housing development estate very attractive and has, to a large degree, helped it to sell. It is an attraction for people to settle in the area, particularly as the land was separated from Sunbury by Jackson Creek and a large escarpment before the creation of the course.

There are two major principles in the proposed legislation. When one listens to both sides of the argument, one realises that both have some compelling and logical reasons. On the one hand, we have a magnificent golf course that is rated as one of the best public golf courses in Victoria. A Victorian Golf Association publication rated it as the best public golf course in Victoria.

The Goonawarra Golf Course was created with taxpayers' money and it is still on Crown land. The golf course has been maintained, as has been pointed out by the honourable members for Prahran and Warrnambool, with shire funds, and at some loss during the formative years when the club was small and did not attract the green-fee payers and when additional maintenance was required.

It was created as a public golf course and there must be reasonable access for the public. That is the overriding principle on that side of the argument. On the other side of the argument, the Goonawarra Golf Club has a compelling case, in that the proposed legislation negates a binding, 75-year, contractual agreement at common law and it is a devastating precedent for the government to use Parliament to break that agreement. What sort of Pandora's box does it open?

There is no doubt that the club has some force in its argument. However, I believe the Opposition, in agreeing after lengthy discussions to support the Bill with reservations, has come down on the correct side. I hope time proves that the Opposition and the government are right, because we are all in agreement. The Bill should never have come before Parliament, but it did because the two major warring bodies, the Shire of Bulla and the Goonawarra Golf Club, could not find common ground. There is common ground and it is a pity that the club and the shire are at odds, and have been at odds for about five years. When one listens to both sides of the discussion, one realises that there are some petty arguments and, no doubt, both sides need a rap over the knuckles for various points of disagreement; both have some right on their side. It is a difficult argument and Parliament is trying to find a compromise.

I have always been of the opinion that given goodwill, commonsense and logic, the golf course would be better run by the golf club itself, but because of the disagreement between the two bodies and the Shire of Bulla being the ultimate controlling body, it is not considered that that proposal will work. Elsewhere in Victoria there are dozens of golf

clubs on government-owned land and they are run by private clubs. One of the advantages of that is that the private club members have the opportunity to play golf at the choice times which are most popular and to run their events at that time.

Private golf club members add two other factors to the running of a club. Because they are golfers and dedicated to the sport, they look after their course as if it were their own and treat it with tender loving care. Private club members give hundreds of hours of voluntary labour. They have the ability to manage the golf club best because they are golfers. It is to their benefit if they are in sole control and paying all the bills to encourage green-fee paying players who will provide the icing on the cake and the extra income to maintain and pay for the upkeep of the golf course. Honourable members will acknowledge that golf courses are not cheap to maintain and that golf is not an inexpensive sport to play. However, there are many people with leisure time who can afford to play the game. The Goonawarra Golf Course should and could be run by the club but there is not enough goodwill among the people involved given the peculiar circumstances surrounding this particular course.

The Shire of Bulla now has three months to take up the option to purchase, which has very advantageous terms. It is a "real steal", as it were, but the club will still be in existence. There is no doubt that the Minister for Housing and Construction will be the arbitrator. If he wants to talk to anyone I shall be only too willing to be at the other end of the telephone to discuss the issue with him. He will have to arbitrate the hours.

Mr Walsh interjected.

Mr REYNOLDS—The Minister says that he hopes I am wrong. I hope I am wrong, too, but my sixth sense tells me that the Minister at the table will be making the decision.

As I have said, the Shire of Bulla will be getting an excellent deal. When I refer to the Shire of Bulla, I mean the people of Sunbury. They will have a good golf course, and anyone who wishes to use the golf course can; the local people will have an excellent community asset. The prime reason for my speaking in the House is that the community in my electorate will benefit from this deal.

The Crown land on which the golf course is located might not be owned by the Ministry of Housing and Construction in three' months time when the shire takes up its option to purchase, but it will be owned by the Shire of Bulla which is just another arm of government. The land will be owned by the people of Victoria and it will be open to the public. That is the overriding premise and principle upon which any decision must be made.

I refer to two further matters. First, I reiterate the comments of the honourable member for Prahran that, after the next election, if the arrangement is not working, the incoming Liberal Party government will be intent upon doing something to make the arrangement work. If the present arrangement does not work, I shall be one of the first to hear about it as the local member.

The second matter is a suggestion I make to the Minister for Housing and Construction, because so much will be falling into his lap. He will be the adjudicator ultimately between the two bodies involved. It would be sensible and logical to bring the administration of the land into line with other Crown land which is administered by a trust. A trust should be set up to manage this piece of Crown land with its members being councillors of the Shire of Bulla. The trust could have representatives also from the golf club and from the community.

The members of the trust could stand for re-election every three years, as does any Crown land committee of management. I have been on two or three committees of management in country Victoria, in Romsey and in Bolinda where I used to live. I am aware that the community knows best how to look after its own assets and is prepared to give of its time voluntarily to do the extra work required. The committee of management could arbitrate between all the bodies concerned.

As my colleague, the honourable member for Prahran has said, with a little trepidation and fear, the Opposition supports the Bill and hopes it will work well. If it does not, the government will be looking to make some amendments to it in the future. The precedents set are troubling and worrying but, given goodwill among the bodies involved, the Bill can work and that magnificent asset can be made available to all the people of Sunbury and be of great assistance to the State in general.

The sitting was suspended at 6.27 *p.m. until* 8.5 *p.m.*

Mr BROWN (Gippsland West)—The Bill reaffirms and re-establishes an option to purchase by the Shire of Bulla under the original conditions established by a former Liberal government. This proposal finalises the intention of the Liberal Party when in government.

I was flabbergasted when I first heard that the Labor government was to bring in a Bill involving the granting of an option to purchase the land to the council. It has been well known for a long time in the Victorian community that a debate has literally raged around the government's method of disposing of Crown land.

In this case, of course, the land is owned by the Ministry of Housing and Construction. Whether the land is owned by the Ministry of Housing and Construction or by the Department of Crown Lands and Survey—as it was formerly known—and, therefore, effectively known to the general public as Crown land, whether it is owned by the Police Department and known as Crown land, or whether it is owned by the railways—either the Metropolitan Transit Authority or the State Transport Authority or V/Line as the latter is more generally known, people throughout the State nevertheless consider it all as having one status: it is Crown land. It does not matter whether it is owned by a department formerly referred to as the Department of Crown Lands Survey or whether it is owned by another government department, people consider it to be Crown land, and it is Crown land. It is owned by the taxpayers of this State and they have a definite interest in what happens to it and whether it is managed prudently or mismanaged.

The Liberal Party had some qualms about the intention of the Bill. However, as I have said, it re-establishes a position that existed until fairly recent times when an option to purchase had expired. The Bill will reinstate the intention of the Liberal government of some years ago. Considering that and other factors, the Liberal Party agreed to support the Bill.

I wish to highlight that thousands of people throughout this State lease Crown land in the form of land belonging to the railways and they would dearly love the same treatment as that provided by the Bill. Those people would dearly love an Act of Parliament that would allow them to purchase the Crown land that they lease.

Only two days ago the Premier issued a pronouncement about Crown land in this State. He issued not merely a press release but a three-page statement setting out how other Crown land would be disposed of and he said in his media statement and in the documentation that accompanied it that the government had had a change of heart. There is a change of heart when it comes to Crown land that is railway land.

The SPEAKER—Order! I advise the honourable member that, although the Bill before the House may give some scope to speak about the disposal of public land, it does not allow the honourable member to enter into detailed debate on land that is called railway land. The Bill and the schedules are quite specific. They deal with Goonawarra land. I shall not prevent the honourable member from debating the matter but I shall bring him back to the Bill when he starts debating the topic of railway land generally.

Mr BROWN—I made those comments in passing. I simply want to make it clear that the government has made fish of one and flesh of the other because it is prepared to legislate for the land at Goonawarra but is not prepared to introduce proposed legislation dealing with railway land. I introduced a private member's Bill dealing with railway land. If the government debated that Bill—which the Opposition would allow forthwith—

honourable members would not only be fixing a problem for the people of Goonawarra but also the problems of thousands of people throughout the State.

I conclude my comments on railway land by saying that although the government has had a change of heart and altered its policy in part, Jack Lees of Croydon still lost his life's savings at the fall of the auctioneer's hammer. The government should consider his position, which the Opposition believes is untenable. That man should surely be considered for compensation.

The land at Goonawarra contains a public facility. There are not many public facilities established on Crown land that could be better utilised by the general public than a golf course. When the Liberal Party was in government for 27 years, it encouraged the use of Crown land for worthwhile community purposes. The then Liberal government was approached time and again to provide Crown land, where it had been identified in local communities, for the provision of scout halls, youth clubs and, in this case, the establishment of a golf course at Goonawarra.

The Liberal Party is at odds with the government on the use of Crown land. I make it clear that the Liberal Party not only does not run away from the policy it followed for 27 years when in government but also is proud of it and will reimplement it when it is returned to government later this year or early next year. Governments hold land in trust only; it is not owned by the members of the government of the day. It is owned and paid for by the taxpayers of this State. In many instances, people made great sacrifices to ensure that the Crown ended up with a particular allotment of land.

Many parcels of land throughout the State, especially those owned by the Ministry of Education, were donated to the Crown on the understanding that schools would be established on the sites. With the effluxion of time, although the land donated is owned by the Crown and, therefore, by the community and taxpayers, schools are never built. If the land is to be sold off, the community should receive tangible benefits and the money should not be squandered. It should not be used for some of the harebrained schemes for which the government has a penchant, such as job creation schemes for the Building Workers Industrial Union, on which the government expended approximately $500 000.

At all times Crown land, which is owned by the community, should be used for the benefit of the community, such as the use of the land at Goonawarra. I am pleased that the Bill does not deal with the disposal of the property, but it is well known that the government is flogging off every asset on which it can get its hands. Hundreds of properties are being sold every year to raise hundreds of millions of dollars for the government.

Mr Kennedy—You agree with that!

Mr BROWN—I do not agree with it to the extent to which it is now happening. It is a scandal, and the honourable member for Bendigo West should know better. The community will be bereft of community facilities because there will be no land left on which to put them—all the land will be privately owned. Instead of organisations in Bendigo and other places, such as boy scouts, girl guides, youth clubs and golf courses—such as the one in my home town of Wonthaggi—being established on Crown land, the land will be privately owned. Community facilities such as those I mentioned were encouraged by the Liberal government. However, this government continues to flog off every asset it can get its hands on, and it is doing it in Bendigo like there is no tomorrow. The voters of Bendigo will correct that come the next State election!

The policy of the Liberal Party is not to flog off assets; its policy is to prudently manage the assets of the State in the interests of the taxpayers of Victoria. The government has obviously decided that it will lose the next State election so it does not matter what it does between now and then. The Liberal Party believes community facilities, such as the one being debated, deserve to be managed sensibly on behalf of the community. It is on that basis that the Opposition supports the Bill.

Honourable members are not debating the disposal of the land at Goonawarra. If the Bill had provided for the disposal of the land, the Liberal Party would have voted against it. The people of Goonawarra will now have for the balance of the 75-year term—almost 70 years—the benefit and enjoyment of a good, high quality golf course. The Liberal Party supports and encourages that.

The Opposition knows that assets which are flogged off will never be returned to the Crown. When they are sold, they are gone for all time because future governments will be unable to buy them back. I am pleased that the House is not debating the disposal of the golf course; it is debating the restoration of a situation that existed until recent times, where the lessees will again have an option, which, no doubt, they will take up forthwith, to ensure that they purchase the land on favourable terms. That will lead to a definite community benefit.

I am aware that not everyone in the local community supports the proposition. Many people believed when the option expired that that should have been the end of the matter. It is interesting to note that the government has tried hard to negotiate with those at the local level to resolve the issue by means other than legislation. That would have been preferable to resolving the issue by Parliament having to reign supreme. Fortunately, circumstances such as this do not arise often. To my knowledge, the government had discussions with people at the local level, and local members were involved in those discussions. It is now considered that no option is left other than legislation.

The Opposition supports the Bill, but to take up the inane interjection made earlier by the honourable member for Bendigo West, unlike the government and its policies, the Liberal Party does not believe in selling off the farm. It believes the majority of parcels of Crown land should continue to be owned by the community and should not be flogged off or disposed of through a policy of, "Let's get what we can today and squander it tomorrow."

As the incoming government either late this year or early next year and a government that will remain in office for probably 20 or 30 years into the future, my party realises that the Labor Party will leave the taxpayers of this State with a financial mess in which assets will have been sold and the funds squandered, but at least one of the few items that the taxpayer has owned will still remain, namely, the Goonawarra Golf Course. The way the government is going, the golf course will be about the only piece of land left under public ownership, which is another reason why I am prepared to support the Bill.

Mr PLOWMAN (Evelyn)—The Land (Goonawarra Golf Course) Bill reaffirms and re-establishes the lapsed option of the Shire of Bulla to purchase the Goonawarra Golf Course land that is currently owned by the Ministry of Housing and Construction. As my colleague, the honourable member for Prahran, the shadow Minister, has stated, the Opposition does not oppose the Bill. My colleague clearly outlined the Opposition's concerns, the background to the matter, how negotiations took place and the final decision on the sale of the land to the Shire of Bulla.

The Deputy Leader of the Opposition expressed concern about public land, particularly railway land, and the differing parameters being applied to the sale of land. The Bill raises a number of interesting points. The option that lapsed was for a purchase price of $800 000. Taking into account inflation over the time, the current value of the land would be closer to $1 million. I am interested to know how that value was arrived at. I suggest that it would be well under the current Valuer-General's valuation. It is a favourable deal for the Shire of Bulla. The shire will have 25 years to pay off the $800 000, interest free.

I do not object to that deal because, in this case, it has been negotiated out in the open, was subject to public and Parliamentary scrutiny and is achieved by the proposed legislation that is now before the House. The Minister for Housing and Construction admits that it is a favourable deal struck to keep public land in public ownership, or at least shire ownership, for the benefit of the public, particularly the Shire of Bulla and other areas that may be beneficiaries of the use of that golf course. I support that move in principle, but I question

the fact that the valuation has remained the same. It was not subject to adjustment for inflation after the option lapsed.

The Bill highlights the duplicity or double standards of the government in selling land owned by the government. The Deputy Leader of the Opposition referred to railway land and other public land and mentioned Ministry of Education land. In other areas the government is determined that land will not be sold for less than the Valuer-General's valuation.

I refer particularly to a piece of Ministry of Education land that was sold last Saturday at auction. It was sought by the residents of the Seville East settlement in the Shire of Lillydale to be kept in public ownership for public purposes. The residents in the area wanted to keep the 5 acres of public land, that was declared surplus by the Ministry of Education, for a public park and recreation area. The shire approached the Ministry, as I did on behalf of the residents. The Ministry was extremely slow in its response to the representations made by both myself and the Shire of Lillydale on behalf of the residents of Seville East, and finally decided that the land would be sold at Valuer-General's valuation. The land concerned was public land required for public use and public purposes, similar to the Goonawarra Golf Course. It was not to become a golf course, but an area for public recreation and public parkland, for the use of the rapidly growing Seville East settlement, a settlement with many young people, a high birthrate and, consequently, a need for recreational facilities. The region currently has no recreation area. The Valuer-General's valuation was $100 000, but that was on the basis of a changed zoning. The point is that the shire wanted that land for public purposes; it was similar to the Goonawarra land situation.

The Ministry of Education determined that the valuation should be fixed on a rezoned basis and, therefore, the Valuer-General valued the property at $100 000, whereas the maximum figure the Shire of Lillydale had placed on the land was $60 000. That situation can be contrasted with the favourable deal this Bill is giving the Shire of Bulla. I do not object to keeping public land for public purposes where the need is clearly demonstrated, and the people of Seville East and the Shire of Lillydale had clearly demonstrated their need.

I place on record my disgust and the disgust of the residents of Seville East and the Shire of Lillydale at the double standards being practised in the sale of public land. I strongly support the concept in the Bill of keeping public land in public ownership where there is a need to do so. However, this need was completely overlooked by the government in the case I have outlined. The matter was raised by me with the Minister in debate on the motion for the adjournment of the sitting, and I also spoke personally to the Minister in another place and she assured me that she would examine it. It was also raised by Mr Granter in another place, but the government rode roughshod over the issue.

Mr WALSH (Minister for Housing and Construction)—I thank all the honourable members who have contributed to the debate on the Land (Goonawarra Golf Course) Bill. I agree with most of what honourable members have said. It is unfortunate that legislation needed to be passed to have this matter resolved. Nevertheless, the government is honouring an agreement made in about 1978 and continued until 1981, for an interest-free loan to the Shire of Bulla over a 25-year period for the purchase of the land in 1986. If one considers the cost to the Shire of Bulla for the upkeep of the golf course over the past six years, one finds that it has paid dearly for the course. One must also realise that the land being sold to the shire must always remain as a golf course.

The honourable member for Warrnambool expressed concern about clause 5 (3) (*a*) which provides a safeguard if that land is sold to someone else in the future; the land should always remain part of the golf course. The shire can renew its lease for successive periods of five years for up to 75 years.

The playing hours provided for members and for the public will have to be properly arranged because, at present, the course is not being utilised enough. The golf club is not

making huge profits because for many hours the course is not used. Certain hours are set aside for club members only. As the number of club members increase, the Goonawarra club will be allowed to grant additional hours for members. The matter will have to be reviewed regularly.

I hope this situation does not arise again. I hope in future the parties can reach agreement on this matter without having to refer the matter to me or to any future Minister to make a decision on gaining extra hours for the public and members of the golf club.

I am glad all parties support the Bill. I am saddened that the situation has reached the point where proposed legislation is necessary. I hope any future government will not have to do the same. I thank the Minister for the Arts and the Minister for Water Resources for the work they have done in the past, as well as the local members, the honourable member for Gisborne and the Honourable Bill Landeryou in another place.

I also express my gratitude to the Federal member for Burke, the Honourable Neil O'Keefe, who has been involved in trying to resolve this problem. Many people have been involved since the Bill was drafted but their assistance was to no avail because the parties could not reach agreement.

I hope the Bill has a speedy passage through both Houses.

The motion was agreed to.

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

RACING (AMENDMENT) BILL (No. 2)

Mr TREZISE (Minister for Sport and Recreation)—I move:

That this Bill be now read a second time.

The purpose of the Bill is to provide for amendments to the Racing Act in respect of the Racing Appeals Tribunal, pecuniary interest provisions for members of statutory boards, a machinery measure in relation to the Totalizator Agency Board Development Reserve and a minor drafting correction to clarify bookmakers' guarantees.

Honourable members will be aware that the Racing Appeals Tribunal was an intiative of this government. The tribunal is an independent quasi-judicial body which came into operation on 1 January 1984. Although the establishment of the tribunal was originally opposed by some sections of the racing industry, it is fair to say that most are now pleased that the government took this initiative and believe the tribunal is working well. During the four-year life of the tribunal it has heard 35 appeals—20 thoroughbred, 11 harness racing and 4 greyhound racing. An additional six appeals were lodged but subsequently abandoned.

The proposals in the Bill are essentially procedural or machinery matters to facilitate the better operation of the tribunal and have been developed in the light of experience, consultation with the industry and suggestions made by the chairman of the tribunal, Judge Forrest. The matters proposed cover the following areas: privilege, stay of proceedings, abandoned appeals, limit to the jurisdiction of the Supreme Court in respect of racing matters, substitute charges, and multiple charges, and multiple defendants.

I direct attention to the fact that it is not intended to alter the current jurisdictional arrangements of the tribunal. Concern has recently been brought to attention that members of statutory authorities established pursuant to the Racing Act, who hold their appointment by virtue of their being members, office holders or employees of a race club or racing industry organisation, may inadvertently be subject to the pecuniary interest provisions of the Racing Act by mere fact of such membership, or office of employment.

The advice of the Victorian Government Solicitor was sought. He suggested that consideration be given to amending the Act to remove the possibility of such persons

being inadvertently caught by these provisions. Therefore, the Bill provides that such persons will not be subject to the pecuniary interest provisions in so far as they are not to be treated as having an interest because they are members, officers or employees of relevant bodies or clubs.

These are clearly commonsense arrangements to ensure the continued valuable contribution of persons from the industry on the boards.

In his report on the audit of the Totalizator Agency Board for the year ended 31 July 1987, the Auditor-General indicated that there was no clear provision in section 1160 (3B) of the Racing Act, which deals with the TAB Development Reserve, for effecting the withdrawal of money from that reserve. The Auditor-General therefore recommended that steps be taken to amend the legislation to be specific in permitting withdrawals from that reserve. As the legal position was less than clear the Bill therefore provides for effect to be given to the Auditor-General's recommendation.

Finally, the Bill provides for a minor amendment to section 94A (2) (*b*) to correct a minor drafting fault and to clarify the situation that bookmakers guarantee that the fund operates at two levels.

1. For rails bookmakers at thoroughbred race meetings conducted on a metropolitan racecourse; and

2. all other bookmakers.

The provisions will be given retrospective operation so that it will have effect from 23 September 1987, in line with the rest of section 94A (2) (*b*).

These measures again demonstrate the government's commitment to monitor the racing industry and to take appropriate action when timely and where necessary to improve the industry.

I commend the Bill to the House.

On the motion of Mr HAYWARD (Prahran), the debate was adjourned.

It was ordered that the debate be adjourned until Tuesday, April 26.

CANCER (AMENDMENT) BILL

Mr ROPER (Minister for Planning and Environment)—I move:

That this Bill be now read a second time.

This is a small but important Bill. It is consistent with the policies of the Victorian government designed to take commercial advantage of the fruits of our medical research. Its specific aim is to vest in the Anti-Cancer Council of Victoria a clear power to hold and to deal with intellectual property rights and to enter into arrangements for the commercial development of medical discoveries.

The proposed legislation has become necessary because of the close relationship which exists between the council and the Walter and Eliza Hall Institute of Medical Research. Cancer research is, of course, one of the principal interests of the institute. The research has been backed for many years by the Anti-Cancer Council, particularly through staffing support made available to the institute by the council. As a result of this support, the council has a beneficial interest in some of the discoveries made at the institute.

The council has always assumed that it had inherent rights under the constituting provisions of the Cancer Act to hold and to assign any of its intellectual property rights flowing from such discoveries. Recent amendments to Part II of the Cancer Act gave the Cancer Institute Board, which administers the Peter MacCallum Hospital, an express power to hold and commercially exploit intellectual property. The absence of a similar

amending provision in Part I of the Cancer Act, which establishes the Anti-Cancer Council, has now placed in doubt the legal power of the Anti-Cancer Council to do the same.

The purpose of the amendment is to make clear that the council has, and always has had, the ability to hold and assign intellectual property rights and to enter into arrangements for their commercial exploitation. It will, in fact, put the Anti-Cancer Council on the same footing as other institutions constituted by statute, which have been vested by Parliament with unquestioned powers to commercially develop their intellectual property.

This will be achieved by inserting into the Cancer Act a provision, which will have retrospective application, modelled on similar amendments made to other legislation. The amendment is urgently required to ensure that agreements entered into by the council in good faith last year are not invalidated by legal uncertainties about the council's powers.

I commend the Bill to the House.

On the motion of Mr WEIDEMAN (Frankston South), the debate was adjourned.

It was ordered that the debate be adjourned until Tuesday, April 26.

CRIMES (COMPUTERS) BILL

Mr McCUTCHEON (Attorney-General)—I move:

That this Bill be now read a second time.

The Bill makes a number of amendments to the Crimes Act 1958 and the Summary Offences Act 1966, principally concerning computer-related crime.

The main purposes of the Bill are:

to ensure that major fraud offences apply to conduct involving the dishonest manipulation of a computer or other machine;

to create new offences covering the falsification of computer-related articles, such as computer-held records, discs, tapes and automated teller machine—hereafter referred to as ATM—cards, and of other documents and instruments not in written form;

to ensure that major theft and fraud-related offences are able to reach improper acts done outside Victoria which have a real and substantial link with Victoria;

to criminalise the unauthorised gaining of access or entry to a computer system; and

to increase penalties for corruption offences.

COMPUTER-RELATED CRIME

The rapid development of computers and related electronic technology in recent years and the key role they have acquired in the life of the community have led to increasing concern being expressed about the need for the law to keep pace with these changes. In particular, there has been greater recognition of the importance of ensuring that the criminal law properly addresses dishonest and fraudulent conduct involving the misuse of computers.

This particular issue has been the subject of a number of recent developments in law reform. In Australia, the Tasmanian Law Reform Commission delivered a report on computer misuse in 1986, the Queensland Attorney-General issued a Green Paper in 1987 and the issue has been under continuing review by the Standing Committee of Attorneys-General, which includes all my Federal, State and Territory counterparts. In the United Kingdom, the Scottish Law Commission delivered an important report on computer-related crime in 1987. In the United States of America and Canada, legislatures have taken a variety of approaches in amending their criminal law. Other Western countries are also considering the impact of computers on crime: a report by the Organisation for Economic

Cooperation and Development in 1986 outlined consideration given to these issues in twelve other Western European countries.

In addition to official reviews, numerous books, journal articles and other papers have been published on computer-related crime in recent years.

The striking feature which emerges from these reviews and analyses is that the overwhelming majority of activities commonly thought of as computer-related crimes are adequately dealt with by existing offences carrying substantial penalties. Traditional offences such as theft, criminal damage, obtaining by deception and false accounting, some of which have been known to the law for centuries, are readily applicable to offences involving even the most modern technology. For example, a person who dishonestly alters computer-held accounting records can be convicted of false accounting. A person who deliberately wipes a computer program or data is guilty of criminal damage. Obtaining money dishonestly from an automatic telling machine—ATM—amounts to theft. Several recent decisions by courts in Australia and elsewhere have illustrated the flexibility of the law in responding to offences in which computers are the tool or the target.

Much public debate on computer crime, unfortunately, misses this point. Often it is said that it is the substantive criminal law which is inadequate when in fact the real problem is the difficulty in detecting the unlawful conduct which has involved the use of a computer. Further, there are frequent reports—which are impossible to substantiate—that fraud and theft perpetrated through the manipulation of computer systems often go unreported by the businesses and organisations affected. In many of these cases, it seems that the conduct has been undertaken by an employee and that the only sanction that is used is to discipline or sack the employee.

With the assistance of the work undertaken by the Standing Committee of Attorneys-General, the government has conducted a review of the substantive criminal law in Victoria. It emerges from that review that, for the most part, the current law deals adequately with conduct involving the misuse of computers. At the same time the review has highlighted the following difficulties:

Uncertainty about whether "deception"—the key element in the proof of fraud offences—applies to the manipulation of a computer;

traditional limitations in the law of forgery confining its operation to the falsification of written documents, which can create problems where computer-held records or items such as ATM cards and computer discs and tapes are falsified; and

doubts about jurisdiction in relation to cross-border offences.

This Bill is addressed to meeting those problems.

FRAUD BY THE MANIPULATION OF A MACHINE

The major fraud offences in the Crimes Act—such as dishonestly obtaining property or a financial advantage by deception—require proof of "deception" as an element of the offence. Decisions in England, which may well be followed in Australia, have cast doubts about whether this term, in its ordinary meaning, is wide enough to cover behaviour which involves deception directed initially not at another person but at a computer or other machine. Instances can readily be thought of in which machines such as ATMs, slot machines and turnstiles perform functions previously carried out by people, such as bank tellers, shop assistants or gatekeepers. It would be anomalous if a dishonest transaction perpetrated directly against another person amounted to an offence, but a similar transaction involving initially the manipulation or misuse of a machine did not. The Bill therefore makes it clear that the fraud offences will apply whether the dishonest transaction has as its immediate object a machine or a person.

FALSIFICATION OF DOCUMENTS

Existing forgery offences do not provide a comprehensive or adequate coverage of the falsification of articles other than written documents. In particular, the law provides inadequate protection against the falsification of:

computer-stored data;

computer-related articles such as disks and tapes; and

credit cards and ATM cards.

Given the increasing importance of these articles, and particularly in view of the community's increasing reliance on computers, these are important deficiencies. The government considers that there is a strong public interest in protecting the integrity of documents, whether in written form or in any other form.

Therefore, the Bill creates new offences relating to the falsification of documents. In accordance with section 38 of the Interpretation of Legislation Act 1984, the term "document" embraces a wide range of articles including any device in which data are embodied so as to be capable of being reproduced therefrom and anything on which is marked any words or figures capable of carrying a definite meaning. The falsification of a number of these articles is not covered by existing law.

Under the new section 83A of the Crimes Act, it will be an offence to make, copy, possess or use a false document with criminal intent. A person will be taken to have made a false document if he or she alters it so as to make it false in any way. The offences will apply if the person intends to induce another person or a machine to accept it as genuine and thereby to do some act to the prejudice of any person. Section 83A (8) defines when an act or omission is to another's prejudice.

The new offences are based on those in force in the Australian Capital Territory which in turn derive from the Forgery and Counterfeiting Act 1981 of the United Kingdom. The provisions rationalise and simplify the law relating to the falsification of documents as well as applying it to some documents not previously covered.

The government is presently consulting with interested parties on whether, with the creation of the new offences, there is any need to retain the common law offences of forgery and uttering or the dozens of specific provisions in the Crimes Act and in other Acts concerning the forgery or uttering of particular documents.

JURISDICTION AND EXTRATERRITORIALITY

Law enforcement authorities and courts have long had difficulty with cross-border offences. If, for example, a fraud is initiated in Victoria against victims in New South Wales who, as a result, send money to Queensland, investigators and courts have problems not only in unravelling the fraud, but also in determining in which State the relevant offences occurred. These problems are greater if the fraud is completed in another country rather than in another State. Increases in interstate and international trade and commerce and rapid improvements in communications have made these problems more pressing, especially as funds can be transferred instantaneously interstate and overseas with the aid of computer systems.

The clear and long-established principle of the criminial law is that an offence can be prosecuted only in the jurisdiction where it occurs—often referred to by the Latin term, the locus delicti. In Australia the courts, in applying this principle, have ruled that the application of the law of a State—and consequently the power of that State's courts to hear the case—depends on whether the offence was completed in that State.

These principles operate clearly and simply in most circumstances but may not address satisfactorily offences arising from some transactions, especially those involving new technology. Even if, for example, all the preparatory steps towards the commission of an offence occur in Victoria, the offender does not leave Victoria, the harmful effects of the offence occur in Victoria and the proceeds of the offence return to Victoria, and according

to decisions of the Supreme Courts of several States, the offence cannot be dealt with in Victoria unless its final element occurred here.

The Bill provides that, in relation to theft, fraud and blackmail offences, the law of Victoria applies—and therefore a prosecution can be commenced in Victoria—where there is a real and substantial link with Victoria. This test has been applied by the Supreme Court of Canada in *Libman* v. *The Queen*, an important decision in 1985. A real substantial link might be evidenced by the occurrence in Victoria of a significant part of the activities constituting the crime or by the offender intentionally causing substantial harmful effects to occur in Victoria.

The test may lead to the same conduct being an offence in Victoria, interstate and overseas, but this should not cause injustice as the law prevents an offender from being tried twice in respect of the same conduct. There is no danger of double jeopardy.

It will be left to cooperative arrangements between law enforcement authorities in Victoria and their interstate and overseas counterparts to determine the place where it is most appropriate to bring the prosecution. These provisions of the Bill should be seen as another step in the cooperative drive against interstate and international crime, particularly white-collar and organised crime.

COMPUTER TRESPASS

I also comment specifically about a form of computer misuse knowing as "hacking". This involves an outsider gaining access to a computer system, often through the telephone network, without authorisation. Hacking usually involves the breach of a security access code established by a computer user. Sometimes this is achieved by the misplaced ingenuity of the hackers themselves and sometimes through disclosures of access codes by authorised users.

It is said that many hackers need only a personal computer, a modem, a telephone line and some programming skill to gain access to confidential, private or commercially valuable data stored on various computer systems. Although the hacker's motive is often merely curiosity or the challenge of breaching security, more sinister motives may be involved.

When the legal problems concerning the meaning of "deception" and the limits of forgery law are addressed as I have indicated, offences in the Crimes Act 1958 will deal comprehensively with many offences involving hacking and other unauthorised access to computer systems. These activities will amount to a serious offence under the Crimes Act if they involve the dishonest obtaining of property or a financial advantage or the falsification of, or damage to, data.

So if, for example, a hacker gains access to a computer system with a view to altering or deleting data, he or she could be prosecuted for the falsification of documents or for criminal damage. If the hacker intends to obtain dishonestly the free use of a computer system for which payment is normally required, the offence of obtaining financial advantage by deception will apply. Offences such as these will deal with instances of hacking or unauthorised use involving criminal intent and harmful consequences.

The government has given careful consideration to whether hacking and other unauthorised access to computer systems should be an offence even if it does not involve these extra elements. When the Bill was introduced in the Legislative Council last September it did not make express provision to deal with unauthorised access not involving other elements.

Since then, however, the government has had the benefit of extensive consultation on its detail with the computer industry, banks, business organisations, legal experts, police and other interested groups. Although the Bill has been widely welcomed, a number of submissions received by the government called for the express criminalisation of unauthorised access to computer systems, even when no damage, alteration or fraud is involved. Members of the computer industry, computer users and police each indicated

their concern about the harm caused by mere access to commercially valuable or private data. A person gaining access to a system may be essentially a technological voyeur, but several commentators considered that such conduct called for criminalisation as a deterrent. Although unauthorised access is already actionable as a civil wrong, the creation of an offence is more likely to discourage such antisocial behaviour and to maintain the confidence of the community in the integrity and privacy of computerised storage of data. There is also a strong analogy between a person gaining access to or entering a computer system and a person trespassing or being found unlawfully on premises, and it is argued that the law should treat them alike.

For these reasons, the government has decided to create an offence of computer trespass. The offence is set out in clause 9 of the Bill. Like wilful trespass to a building, the new offence will be inserted in the Summary Offences Act 1966 and will carry maximum penalties of six months' imprisonment or a $2500 fine. The offence will consist of gaining access to or entering a computer system or part of a computer system without lawful authority to do so. It will apply not only to hackers but also to authorised users, such as employees, who deliberately enter a part of a computer system to which they do not have authorised access.

Honourable members will note that the Bill does not attempt to define the terms "computer" or "computer system". There are several reasons for this approach. Firstly, the terms are in common usage in the community. Attempts to give artificial definitions to such terms tend to create rather than reduce ambiguity. Secondly, past attempts by other legislatures to define these terms have been notably unsuccessful. Some definitions are wide enough to include pocket calculators and digital watches; others are too narrow to cover computer systems using laser technology or other forms of processing. The pace of development of information technology is so rapid that tomorrow's computer may not fit today's definition. For similar reasons, the Scottish Law Commission also recommended against legislative attempts to define these terms, preferring instead to allow the legislative term to evolve with the technology.

SELF-HELP

I add that changes to the criminal law cannot alone meet all the problems which operators of computer systems face. As is the case with all types of crime, prevention is better than cure. The government urges computer users to consider the need for adequate security for their computer systems in view of the potential for serious losses from computer-related crime. The government hopes that the legislative response to computer abuse which the Bill represents will be matched by greater attention throughout the community to the need for effective prevention of abuse.

SECRET COMMISSIONS—Penalties for Corruption Offences.

The current maximum penalty for offences involving the solicitation or offering of a secret commission is two years' imprisonment and a $10 000 fine. In a recent case in the Supreme Court, His Honour Mr Justice O'Bryan, in sentencing two businessmen for offences involving the payment of substantial bribes, expressed the view that these penalties were inadequate. His Honour said that in today's community there was a revulsion against crimes of this nature committed by businessmen in positions of trust, and noted that such offences are extremely hard to detect and expensive to prosecute.

The government agrees with these remarks. The Bill will, therefore, increase the maximum penalties to ten years' imprisonment and a $100 000 fine, the same as for theft. It should be added that under the Crimes (Confiscation of Profits) Act 1986, the courts also have power to order confiscation of the proceeds of such offences, including profits on those proceeds.

I commend the Bill to the House.

On the motion of Mr WEIDEMAN (Frankston South), the debate was adjourned.

It was ordered that the debate be adjourned until Tuesday, April 26.

HEALTH (GENERAL AMENDMENT) BILL (No. 2)

The debate (adjourned from March 10) on the motion of Mr Roper (Minister for Planning and Environment) for the second reading of this Bill was resumed.

Mr WEIDEMAN (Frankston South)—It is only proper that the Health (General Amendment) Bill (No. 2) should be debated the night after the presentation of the Academy Awards, because it is the result of a major film production such as *The Last Emperor.* Amendments to the Health Act 1958 have been proposed for a long time. The Health (General Amendment) Bill was introduced in the spring sessional period last year; now the Health (General Amendment) Bill (No. 2) has been introduced; and I understand amendments are proposed. It has certainly been a major production to get the Bill to this stage.

Mr Spyker interjected.

Mr WEIDEMAN—I suggest that the Bill might win an Academy Award after the debate that ensues this evening because honourable members could spend half an hour on each clause. As lead speaker for the Opposition, I shall raise several aspects of the Bill which cause concern, and I have no doubt that my National Party colleague, the honourable member for Mildura, will also cover the problems in the Bill.

Mr Steggall—He will highlight them.

Mr WEIDEMAN—The honourable member will highlight some of the major concepts and problems. A major Bill involving the health area was introduced in the spring sessional period last year—the Tobacco Bill—and the Premier warned the opposition parties that he would put us to the high jump if we pursued our proposed amendments. I was not frightened about falling off the high jump and the Opposition went ahead. With this Bill the Opposition will not oppose the amendments, so the Premier, for the third time in recent months will not have to back down. The Opposition has saved the Premier.

Mr Whiting—He is too soft.

Mr WEIDEMAN—The House will see if that is so when discussions take place while the Bill is between here and the other place. It seems such a long time since the Minister for Planning and Environment made his second-reading speech in this House. Perhaps I should refresh the minds of honourable members by referring to significant issues contained in the Bill. I appreciate the assistance of Alan Rassaby, who is in charge of the Health Legislation Review Unit, and officers of Health Department Victoria for making themselves available and briefing the Opposition on all aspects of the Bill. The Bill is a credit to their efforts.

Many aspects of the Bill are the result of negotiations and discussions that have taken place between all political parties. Many discussion papers and seminars have been held in Victoria and hundreds of submissions have been received on what should happen to the Health Act 1958, which is a substantial document. Honourable members will be aware of what has occurred in the development of the health field and what is now Health Department Victoria over many years. Each government in turn has considered changing dramatically the approach to health in Victoria.

Once there was a major government department, the Public Works Department, which has now been wiped out. The same process is being adopted with the department responsible for health because many of the functions that were formerly performed by people have been taken away. If a function could not be slotted into local government or the department administered by the Attorney-General from 1900 onwards, it would be given to the health department to sort out because it had the expertise to overcome those problems.

The early provisions of the Bill refer to guiding principles and goals. It is excellent for Bills to have objects and functions so that people can work to them and be directed in a certain manner.

The Bill repeals and modifies the Health Act. It clearly sets out the functions of the chief general manager, which is a difficult approach to take. Most honourable members who have been in this place for any length of time will recognise that the responsible Minister had that task, but the functions of the chief general manager are clearly set out in this Bill. It has been the approach of this government and other governments in recent times to direct the capacity and influence of local government, which is our third tier of government.

In 1980 the name of local health inspector was changed to health surveyor. I attended a conference at that time in which it was suggested that that name change would bring about a new view of officers by the community and would increase their standing. It was suggested that these officers would use their influence to become involved in every shop and factory in every municipality in Victoria. To their credit, I have not been aware of any complaint being made about the way in which they have operated. I believe those officers have become more skilled and have received better training. They are certainly much more efficient in the local health area than they were over the past ten to twenty years. I do not wish to be derogatory, but they have had their hands out and have been given meat from abattoirs and pies from shops. That is how they were regarded by the community, but it is a thing of the past.

Health surveyors believe their management skills and qualifications are adequately suited to health community matters. It is only fair and sensible that these 200 health surveyors be given the role of carrying out local community health responsibilities so that they can assist councils in setting priorities and standards. They are certainly at the coalface. If one telephones one's local health surveyor or health department today one receives far more assistance than one did years ago.

I now turn to one of the complaints health surveyors have about the Bill: the provision which takes away their responsibility for tips, waste management and septic tanks, which has been given to the Environment Protection Authority. While the Bill is between here and another place, the Minister for Planning and Environment may wish to consider this important health area. There are still many areas around Melbourne that operate on a septic tank system.

In the Frankston area, which services some 160 000 people, enormous amounts of money have been spent on ensuring that septic tanks were replaced by sewerage. As a pharmacist, I recognise the effect of septic tanks on health. In the 1960s my colleagues would keep up to one gross of antibiotic-type mixtures for bowel and associated problems because there were not as many sewered areas around Melbourne. Frankston had many septic tanks on properties ranging from normal sized blocks to 3-acre lots.

I am certain that the twenty or so pharmacists in Frankston would not have a dozen bottles of such mixtures between them because there is no demand for antibiotic bowel medicines. That demonstrates the advances that have been made in the sewerage area around Frankston. I congratulate the Frankston Sewerage Authority for the work it has done over the past twenty years and for the work now being done by the Mornington Peninsula and District Water Board.

The Minister in his second-reading speech on the original Bill, the Health (General Amendment) Bill, referred to the provision of new laws on the regulation of common boarding, lodging and apartment houses and the need for their upgrading and control. I do not believe any honourable member will disagree with that provision.

The Bill provides for the adoption of new water laws. It makes provision for dealing not only with AIDS—a matter which has been debated at length and which is probably the most important aspect of the Bill—but also with other infectious diseases.

Recently I visited Fairfield Hospital and I was informed that there are other serious infectious diseases within our community such as hepatitis A and hepatitis B as well as another hepatitis virus which is causing considerable concern to virologists.

The professor of virology at the Fairfield Hospital, at a luncheon, explained to me the concern the hospital has about that particular disease. He explained that the hospital was also concerned about the mutation of malaria. The professor said—I am not knocking tourists visiting Bali—that only a stupid person would go to Bali for a holiday because one would have to undertake antimalarial treatment which would be sufficient to kill one before one was protected. I suggest that any honourable member who wants to visit Bali should visit a malaria-free area, as antimalarial tablets do not give the protection that is needed.

The Bill also provides that an infected person must behave responsibly. I am sure the community expects the House to have a great deal to say about this matter. We have an enormous problem on our hands with AIDS in our community. The Minister, in his second-reading speech to the original Bill, referred to civil liberties and what that means within the Bill.

The Opposition is concerned that everybody appears to be an expert on the need for preschool immunisation. The Bill sets out conditions for that situation. A parent will be required to provide a certificate as evidence that a child has been immunised. If the child has not been immunised a reason must be provided for not so doing and the Bill sets out the reasons that may be accepted. The Bill provides that when there is an outbreak of a particular infectious disease in a school, a child who has not been immunised will be required to remain at home.

I request that the Minister, while the Bill is between here and another place, considers the submission of health surveyors regarding the need for keeping septic tanks and trade waste under the control of councils. I am sure other honourable members will speak on this subject.

The new Bill clarifies the role of members of the Police Force when carrying out an isolation order. There was a case where such a person used his nails to scratch the face of a policeman. If was feared that that person was AIDS-infected and, at a later time, the policeman committed suicide because of the fear that he might develop AIDS at some future time. The Bill provides that a medical officer who is an expert in such matters be used as a back-up and it provides that if such a person disobeys an isolation order that person may be arrested.

The second Bill provides housekeeping amendments. The most important amendment condenses two provisions relating to infectious diseases. It recognises AIDS as a specific infectious disease, which I believe is in the best interests of our community. Hepatitis, diptheria, cholera, typhoid and other infectious diseases have killed many thousands of people over the last century. They have been controlled by serums and vaccinations. Future mutation may mean that those viruses will have even more impact. I am sure all honourable members will agree that five years ago they would not have considered that AIDS could have been the problem that it is now envisaged it will be during the next fifteen or sixteen years.

The Minister, in his second-reading speech, described the way in which the Chief General Manager of Health Department Victoria will be vested with the power to make an order in respect of a person with AIDS. That power has been removed from local council officers; it properly removes the liability and allows the chief general manager to impose orders on individuals in our community who may have AIDS or any other serious infectious disease. That is a proper step to take in the interests of public health.

I refer now to the section on the management of infectious diseases. There has been major debate on this matter in this House on two occasions. Firstly, there was a debate about protecting the rights of people who had had blood supplied by the Red Cross. It

dealt with the spread of AIDS. I am sure any honourable member interested to read through the *Hansard* report will learn how the disease began, its history and the types of disease that are in our community. This is the most important subject in the health area. Just a few short years ago there was the first report of this disease in Australia as a result of a blood transfusion in 1983. By June 1987, there was a cumulative effect with 440 AIDS cases, of whom 238 are still living. The projections for the future indicate that that number will rise to 1000 during 1988. Testing for AIDS in blood was begun in 1984 and 10 000 individuals were found to have antibody positive reactions. It is estimated that this number will rise to approximately 50 000 people.

Australia is one of the most advanced countries in the modern world, yet it has one of the highest rates of AIDS. We are under the impression that that is not the case, but it is. Australia has a high incidence of AIDS per head of population for a developed country, although there are higher rates in Third World countries.

Mr Remington interjected.

Mr WEIDEMAN—I shall give the honourable member for Melbourne the figures, the projections and the costs.

Governments, State and Federal, are trying to control AIDS by regulation, and that is what the Bill is about. We must educate the community with such campaigns as the Grim Reaper advertising campaign and education programs for schools and for the gay community, so that fear is allayed.

Much literature has been written about AIDS in many cities of the world, such as Copenhagen, Los Angeles and San Francisco. San Francisco is the home of AIDS, and Australia is following the treatment and the approach to AIDS taken in the United States of America. When individual counselling and education takes place, better results in the control of the spread of AIDS are obtained.

In our community, AIDS has been depicted as a loaded gun, a type of Russian roulette. Educational advertisements have shown the interchange of syringes involving cameraderie among drug users, but the community cannot accept the fact that the major factor in the spread of AIDS is homosexual behaviour. We know that the homosexual community has the highest risk.

The figures show that at the Fairfield Hospital 97 per cent of people treated in category A come from the homosexual community. The Fairfield Hospital is the major hospital for the long-term treatment of AIDS in Victoria. There are 121 cases in category A and 800 cases in category B, resulting in approximately 1000 cases in categories A and B with another 1000 in category C. So, in Victoria there are approximately 2000 persons who find themselves in those three categories.

People classified as category A will die in the foreseeable future. Of the 121 patients in category A at Fairfield Hospital, one can assume that in one year 40 per cent will die and 40 to 50 per cent will not need the full treatment before their deaths. Many of the patients will go from category B to category A. It is important that the community accepts the cost, but who is to pay for it? Is the community to pay for communicable or infectious diseases?

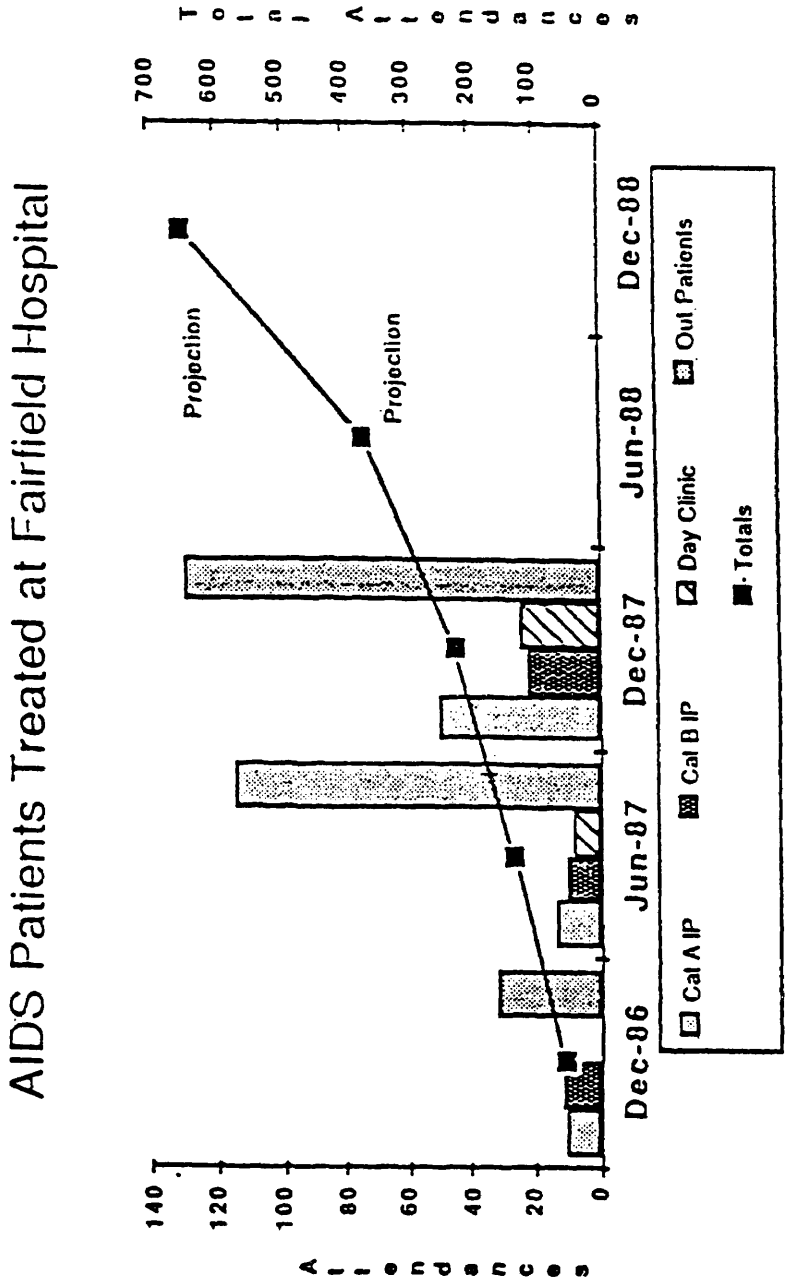
I shall give the treatment costs to the year 1990–92. At Fairfield Hospital in 1986–87, the cost was $4·54 million. One must recognise that the number of AIDS patients has doubled over the past six months, and it is projected that it will double every ten months in the foreseeable future. In 1987–88 the treatment of AIDS patients cost $8·157 million, and this year, 1988–89, the estimated cost is $17·46 million. Projected to the year 1990–92, the community is looking at a cost of $150 million for the treatment of AIDS victims at Fairfield Hospital. That is an enormous amount for any community to find.

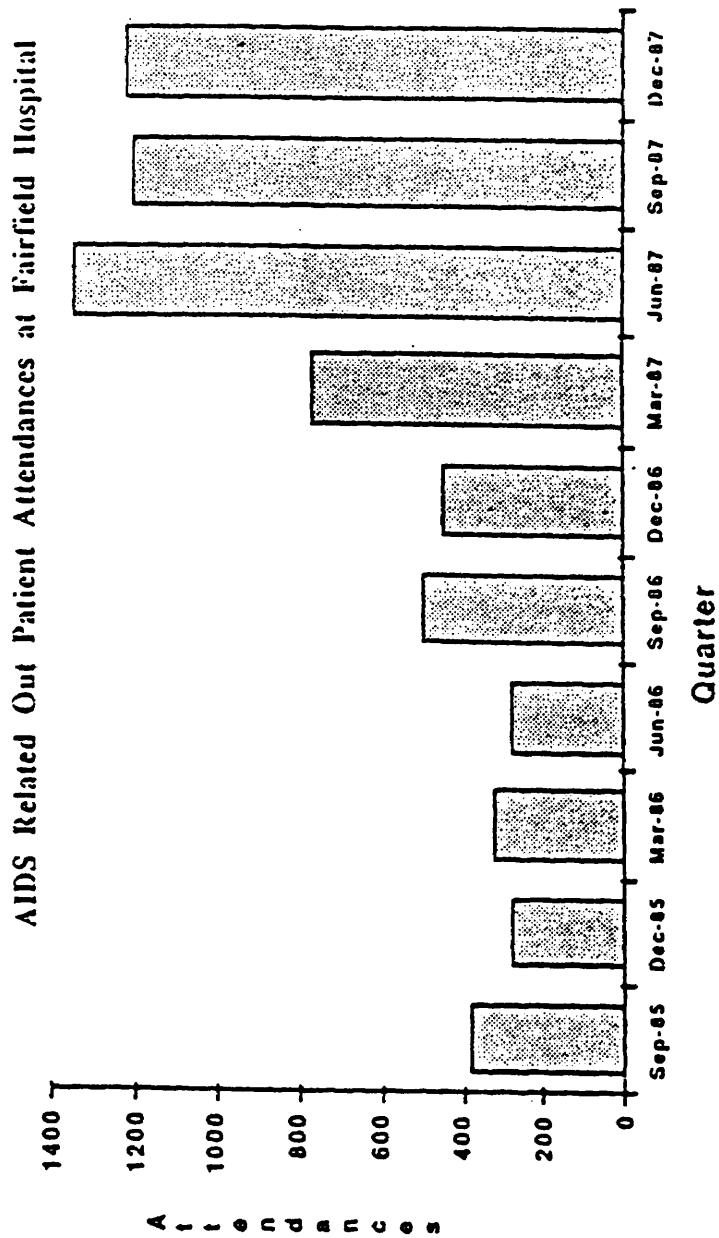
There are 130 or 140 AIDS sufferers living with their friends and families throughout Victoria. Only 15 of those sufferers would be in Fairfield Hospital at any one time before the end of their disease—from which they do not recover. Most of them are living in

towns throughout Victoria, as far afield as Horsham, Mildura, the Mornington Peninsula, the western suburbs and Geelong. They are supported by their friends and families and visit Fairfield Hospital when necessary. Smaller units are being established at the Royal Children's Hospital, for obvious reasons, and at the Royal Melbourne Hospital.

I seek leave to have incorporated in *Hansard* two graphs that depict the number of AIDS patients treated at Fairfield Hospital and the estimated escalation of the numbers.

Leave was granted, and the graphs were as follows:




AIDS Related Out Patient Attendances at Fairfield Hospital
Attendances
1400
1200
1000
800
600
400
200
0
Sep-85
Dec-85
Mar-86
Jun-86
Sep-86
Dec-86
Mar-87
Jun-87
Sep-87
Dec-87
Quarter

Mr WEIDEMAN—The graphs depict the projectional increases. I say to the Minister for Sport and Recreation, who is at the table, that Tattersalls is about to announce its new Keno game, which has been a success in the Bendigo area. That game will shortly be launched in the metropolitan area and throughout Victoria. I understand it will generate an estimated $45 million for the government's coffers in a year. The government can help the community by injecting some of the money into the health area, particularly into funds for the Fairfield Hospital, which is the major institution in dealing with AIDS.

By the year 1990, every family in Victoria will in some way be touched by AIDS. The disease will spread throughout the heterosexual community from homosexuals and via the illegal use of drugs. Men who are bisexual will spread the disease to their wives, thereby creating a much greater problem than we have at the moment. It is a recognised transmission mechanism and the certainty of it is appalling. The community has not come to terms with this situation in the way it should, which has led to a dilemma in the treatment of AIDS victims.

The House would understand that a major cost in AIDS treatment is a drug called AZT. The drug, which is produced worldwide by the Wellcome Foundation Ltd, costs around $11 500 per patient per year. Another drug is interferon, which has been used in the treatment of cancer. The total cost of drug treatment for a patient at Fairfield Hospital could be as high as $23 000 to $24 000 a year. If the cost of nursing and other normal procedures is added to that, the cost per patient per year is approximately $40 000. The figures will grow enormously from now until 1992.

It is estimated that the AIDS virus will kill in plague proportions some 40 million people throughout the world. This figure is comparable with the number of people killed in the second world war. When the second world war ended and the bombing and the shooting stopped, some people died from wounds they received during the war but the number of people who died as a result of war activity decreased markedly once the armistice was declared. That will not be so with AIDS.

A similar example would probably be foot-and-mouth disease. If foot-and-mouth disease is discovered in England or in Australia, the animals are destroyed, burned and buried so that the disease is eliminated. In Argentina, however, the beef herd is so large that if foot-and-mouth disease is detected, it is allowed to run its course. It may kill 10 million animals, but there is no attempt to control it as it would be impossible. I am not suggesting that that is the way to effectively treat AIDS victims in this country.

The figure of $150 million required for the treatment of AIDS victims leads me to refer to those victims who are in category B and will be in category A at some time in the future. Their life expectancy can be extended and their life situation can be improved by the use of AZT and other drugs. Parliament, through the Minister for Health and hopefully through all the relevant departments of government, should recognise the need to extend the use of drugs, where possible, so that people inflicted with the virus can have a better lifestyle in the future. It is not a hard decision for honourable members to make. We must all face the problem. Members of the community should have drugs made available to them which will improve their lives, particularly if they are AIDS sufferers.

I refer to the different categories of AIDS victims:

Category A—AIDS. AIDS as defined by the Centers for Disease Control, Atlanta, USA, is characterised by the presence of a reliably diagnosed disease at least moderately indicative of any underlying cellular immune deficiency in a person with no known underlying cause of cellular immune deficiency nor any other cause of reduced resistance reported to be associated with that disease.

In other words, the victims will contract pneumonia and suffer from carcinomas and a waste-type death.

Category B is described as:

Category B—AIDS related conditions. This is defined as cases with clinical evidence of active infestion or defective cell-mediated immunity and a confirmed positive test for antibody to the AIDS virus.

Evidence of active infection is defined as one or more of the following signs and symptoms existing for at least three months:

(*a*) fever and night sweats;

(*b*) weight loss greater than 10 per cent of body weight;

(*c*) persistent lymphadenopathy in at least two extra-inguinal and non-contiguous sites;

(*d*) chronic diarrhoea;

(*e*) persistent oral candidiasis;

(*f*) unexplained haematological autoimmune conditions.

AIDS victims who are in category B suffer the normal problems of their immune systems going into reverse. Category C includes those victims who have been found to have a confirmed positive test; 20 per cent of them will eventually be in category A or category B.

The AIDS virus presents an enormous health problem in our community. Honourable members and the Victorian community see the need to approach the problem in the same way as health problems were approached in the past when there were epidemics, such as the poliomyelitis epidemic in the 1950s and also the diphtheria and hepatitis epidemics. The best available medical science was used to deal with those diseases.

I ask honourable members to take the time to read a report which appeared in the *Age*, entitled "AIDS Update". The report aptly describes the situation in our community. There are articles written by a physician; a drugs counsellor; Adam Carr, the AIDS counsellor; and by a social worker. The report lists the financial costs which I have just described and contains an article explaining that it is almost impossible to develop a vaccine against the AIDS virus because the genetic engineering created by the virus virtually destroys the immune system. I commend the report to any honourable member who wishes to inform himself on the problem. I shall comment further on the AIDS problem in the Committee stage.

I refer to Part 1B—Health Impact Statements. On reading that Part of the Bill one would find encouragement for members of the community to put forward their health problems to the Chief General Manager of Health Department Victoria. I hope that is successful. It would be more appropriate for the health professionals and the Minister for Health to seek people in the community to provide the necessary expertise and help.

I refer to the provisions relating to the functions of municipal councils. It is proper that a council set its priorities and plans for the future. Municipal councils are responsible for community activities. The Frankston City Council spends 17 per cent of its income on social welfare activities and a high percentage of that is spent on health.

One area which has always troubled me as a politician and has caused many letters to flow to and from Attorneys-General, to local councils, to lawyers and to all sorts of groups, relates to Part III—Nuisances. I congratulate the government for raising this matter. It is difficult to interpret and to do anything about as a member of Parliament.

When I read the old section of the Health Act I was appalled, as it seemed that it referred to everything and I had visions of the local city people walking around the town and saying, "That is an offence"; "that injures my health"; "that shop has a bit of steam coming out of it; you have to shut it down". Under the definition of "nuisance" in Part III, clause 40 (1) there is an indication of more understanding:

. . . which is or is liable to be dangerous to health or offensive.

"Offensive" means noxious, annoying or injurious to personal comfort. What is offensive can be decided in many ways. The meanings of such terms in the Bill will be clearly conveyed to both health surveyors and local government.

Honourable members will be aware of the nuisance created by noise—for example, trucks that dump sand or rocks, or neighbours who keep dogs. Even if the people who create such nuisances are discovered, councils are rarely able to do very much about the

problem. The Bill contains provisions that are almost as wide in their application as the Litter Act. But if the government adopts a commonsense approach, the Bill may be of great assistance to local government.

There is a poultry farm in my electorate that produces thousands of capons a year. The poultry farm is situated in a built-up area. It is not a chicken-and-egg case, because the poultry farm was established before the area was developed. On hot days the smell that emanates from the poultry farm is offensive to many people who live in the area. Under the present Act the council is limited in the action that it can take. The Bill provides that if someone makes a complaint about such a nuisance and the council takes no action, a court may impose penalties on that council.

National Party members will describe how the Bill will affect country areas, but in the metropolitan area, if the powers contained in the Bill are used in a commonsense manner, they will assist in overcoming such nuisance problems in local communities. The government is keen to establish neighbourhood groups to deal with community problems—although such a group has not been established in my electorate. The Bill may ensure the arbitration of many neighbourhood disputes concerning nuisance problems. The Environment Protection Authority is empowered to enforce controls on noise emanating from such places as hotels and discotheques. To establish the validity of a complaint, officers from the Environment Protection Authority, as I understand it, are required to enter one's bedroom to measure the level of decibels just inside one's bedroom window. It is an uncomfortable situation to have two policemen and two officers from the Environment Protection Authority in one's bedroom attempting to take a noise-level reading at 1 or 2 o'clock in the morning.

Most honourable members have received letters from their constituents about the need for the inoculation of schoolchildren. The relevant provisions of the Bill cover not only those people who wish their children to be inoculated but also those people who do not wish their children to be inoculated.

The provisions dealing with infectious diseases are carefully worded to ensure that the dignity and liberty of individuals are maintained. The article in the *Age* to which I referred made mention of the controversy surrounding the AIDS debate, and stressed the need for both counselling and community understanding for people who are infected by the disease, which is not confined to particular groups, although mention is made in the article of homosexuals and intravenous drug users:

> AIDS poses special problems for legislators seeking to identify people carrying the virus and capable of transmitting it. It is linked with groups rejected by much of society—promiscuous homosexual and bisexual men and intravenous drug users who fear discrimination in employment, housing, insurance as well as social prejudice. Because of the traditional association of AIDS with such groups—and the stigma attached to that—other individuals may be reluctant to seek testing.

The community's approach to the need for counselling and isolation might have been different had the disease been a different one.

Victorians must be confident that the government is prepared to tackle the problem and to take appropriate action to safeguard public health. That is highlighted by the provisions in the Bill that deal with infectious diseases in general and the AIDS virus in particular.

The Bill also deals with blood and tissue donations, penalties for breaking the law and the definition of many terms. The changes that the Bill will effect depend on the amendment of other Acts such as the Equal Opportunity Act. The government will propose amendments to the Bill to ensure a common law approach to the nuisance definitions and the application of penalties, and I understand there is also a small number of regulatory amendments.

The Bill is a complex one. Any honourable member could choose one clause of the Bill and talk on it for an hour—although it is not my intention to do so. I have attempted to give a broad overview of the Bill, which will be dealt with in Committee, where various clauses will be discussed. In general, the Bill is a well-prepared document; it is easy to read and understand.

My colleague, the honourable member for Doncaster, will contribute to the debate. I was not sure if I would have any support but I am sure he will speak for me.

The Opposition has examined the Bill and finds it an acceptable approach to improving the Health Act. Although the Opposition has some doubts about the Bill, it believes the issue of public health is more important than mere political considerations. The Opposition has expressed its concerns, particularly about the way in which the Bill affects health surveyors and local government. Other speakers will highlight particular areas of the Bill.

Since it has been in office the government has transferred many functions of State government administration to local government. It remains to be seen if that is sound policy. However, I am confident that health surveyors will be able to carry out the functions prescribed for them in the Bill.

However, money is always required to do it. Many State government functions are being transferred to local government without cheques going with them. Recently in the Frankston area, the number of supervised school crossings was increased from 44 to 51. However, the council has $22 000 less to expend on providing supervision for the crossings. That amount must be picked up not by the taxpayer but by the ratepayer. That is only one example of the approach of the government in transferring many of the costs of State government to local government without providing the necessary funds.

This Bill and the Health Services Bill—which will be debated later in the sessional period—comprise a large package, and the House has a monumental task in considering the Bills. I ask honourable members to give full consideration to this Bill as it will affect the administration of health for many years regardless of what political party is in power.

During my short time with the Health Commission, I described it as *Wuthering Heights.* I began my speech by referring to the Bill as an Academy Award production. The film *The Last Emperor* was described in the *Age* as a two-and-a-half hour film of postcards. I hope this Bill will be worth more than two-and-a-half hours of postcards and that it will provide members of the community with the health services they expect. I hope the Bill will help to control the diseases that will plague our community over the next 30 or 40 years. I shall reserve further comments on the Bill until the Committee stage.

Mr WHITING (Mildura)—Once again honourable members are faced with the old story of the government trying to get right amendments to an important Act of Parliament. As the honourable member for Frankston South said, the House is now debating the third draft of this Bill. I understand the government proposes to move approximately 30 further amendments to the Bill, which will make a fourth series of proposed amendments to the Act, and it will still not be right. I wonder how much longer the people of this State can put up with the action of the government in this regard. People are turning off. I do not know which honourable members are on the government's Bill committee, but they obviously do not know much about this subject.

I thank Mr Alan Rassaby, an officer of Health Department Victoria, who has been helpful to me on this issue. I do not doubt that he will play a large part in the passage of the Bill through both Houses of Parliament.

I take issue with the Minister for Planning and Environment when he introduced the Bill by stating:

> Under an amended Health Act, Health Department Victoria would be encouraged to be more of a standard setter than an inspector and would have a cooperative consultative relationship with community organisations and local government.

That is fine, but this Bill gives the newly created position of Chief General Manager of Health Department Victoria absolute powers over every local council in this State. Not one local council has yet woken up to that fact, but there will be hell to pay when they do.

It is interesting that the Minister for Local Government has entered the Chamber because there is a link between the Local Government Act and the Health Act and the way

the relevant Ministers want control over local government. I do not believe the Municipal Association of Victoria or individual local councils are yet aware of that fact, nor are they aware of the second issue I wish to raise.

In his second-reading speech, the Minister said:

> However, the Bill will remove unnecessary controls and restraints so that councils can determine their own priorities in response to the particular needs of their residents.

Again, that is fine, but it does not mention that it will be at the cost of the councils. The honourable member for Frankston South raised this point. The bill will be picked up by ratepayers and they will feel the pinch if this Bill and proposed legislation of a similar nature are passed by Parliament.

In his second-reading speech the Minister used the grandiose phrases we have come to expect from the government, but he did not provide any details. The speech contains wonderful words; the academics who have been placed in every government department must do something for their money and this is an example of it. The Minister said:

> Finally, the Bill encourages broad public participation in debate on issues affecting the health of the wider community, most notably, through the introduction of health impact statements.

Victoria currently has provision for environmental impact statements and regulatory impact statements and the House is now debating the introduction of health impact statements. When I read out what they will do, honourable members will wonder why they are necessary.

Proposed section 5A (*a*) to (*d*) contains the objects and functions of the Bill. Proposed section 5A (*a*) states:

> The objects of this Act are—
>
> (*a*) to ensure equity in health;

I would like honourable members to explain to me what that means.

Proposed section 5A (*b*) states:

> The objects of this Act are—
>
> (*b*) to help people lead as full a life as possible no matter what their pre-existing level of health.

I do not know how an Act of Parliament can bring that about. I fail to understand how a Bill dealing with AIDS and other infectious diseases can help people live as full a life as possible regardless of their pre-existing level of health.

Proposed section 5A (*c*) and (*d*) state:

> The objects of this Act are—
>
> (*c*) to reduce the incidence of disease, disability, distress and symptoms of ill health; and
>
> (*d*) to reduce the incidence of untimely death.

They are worthy objects and could easily be left in the Bill. However, honourable members in the other place will probably attempt to remove proposed section 5A (*a*) and (*b*) from the Bill.

The functions of the chief general manager are set out in great detail in the Bill. He will become the supremo not only of Health Department Victoria but also of local government, as it is known in this State. Proposed section 5B (*f*) states that the functions of the chief general manager are:

> (*f*) To monitor the activities of, and to assist, other agencies which have an impact on public health and, if necessary, advocate on behalf of the Victorian public for the adoption and enforcement by those agencies of appropriate standards.

I do not need to remind you, Mr Acting Speaker, that in this State some voluntary agencies operate largely from their own funding sources and carry out important work on health

issues, but they will be subject to the chief general manager's views of "appropriate standards".

There is a grave danger that the voluntary agencies will be forced out of existence, but perhaps that is what the government wants. Under Part IB, health impact statements, proposed section 5D states:

(1) If the Chief General Manager decides to institute an inquiry, the Chief General Manager must—

(*a*) consult widely with members of the public; and

(*b*) cause a discussion paper to be prepared—

about the activity or proposed activity.

(2) The Chief General Manager must ensure that—

(*a*) the discussion paper canvasses as widely as possible all scientific, medical, sociological, economic and other relevant perspectives; and

(*b*) a reasonable time is set aside for public consultation.

The community will be forced through the time consuming process of trying to establish what people are thinking, instead of the government curing the health problems of Victoria without the humbug of other issues placed upon them.

Subsections (3) and (4) of proposed section 5F provide:

If a Health Impact Statement recommends action by a government department, public authority or person, the Chief General Manager must cause a copy of the Health Impact Statement to be forwarded to the chief administrator of that department or to that authority or person.

A chief administrator, public authority or person must reply in writing to the Chief General Manager about the recommendation within 60 days.

The chief administrator of a public hospital will have to reply to any matter that the chief general manager has referred to him in the form of a health impact statement.

Proposed section 5F (6) is ambiguous. it states:

The Minister must cause a copy of—

(*a*) the Health Impact Statement; and

(*b*) any replies to the Health Impact Statement—

to be laid before each House of Parliament on or before the tenth sitting day after the expiration of the period of 60 days referred to in sub-section (4).".

The subsection does not indicate what will happen to replies to health impact statements and when they will be presented to Parliament. Sessional Orders make it difficult to have matters such as replies to health impact statements at the top of the Notice Paper, and I could imagine that in a few years' time the Notice Paper will contain a number of replies to health impact statements.

It is correct that the replies to health impact statements should be laid before each House of Parliament, but the subsection should have more teeth so that the provision is enforced and the matters can be debated or, by the reverse onus of proof, such as occurs with the Public Bodies Review Committee, if the government does not take action within a certain time the matters become effective. That is the only way those issues can be handled.

Earlier I mentioned the problems with municipalities and I refer the House to clauses 7, 8, 9, 10 and 11. The honourable member for Swan Hill will go into more detail about the chain of events that will take place with the implementation of these clauses and how municipalities will have an unnecessary workload if the chief general manager decides that they must take action. Many municipalities will be alarmed by the provisions in the Bill. I assure the House that the impact of those five clauses is horrific for local government.

Clause 11 sets out the functions of councils. Proposed section 29A provides:

The function of every council under this Act is to seek to prevent diseases, prolong life and promote public health through organised programs including the prevention and control of—

Proposed section 29A (*h*) provides that one function of councils will be—

ensuring that the municipal district is maintained in a clean and sanitary condition.

I do not know what that means, but I do not believe members of the government from the metropolitan area have any idea of the size of some municipal districts in country Victoria. I can imagine employees from the Shire of Mildura spending three or four hours every day driving along the Calder Highway, between the southern boundary of their municipality and the irrigation district around Red Cliffs, picking up dead kangaroos killed by motorists from the metropolitan area who are driving along that road in their haste to get back to Melbourne. If those employees do not do that they will not maintain their municipal district "in a clean and sanitary condition". If that is what the government means by that provision, the administration of municipalities will be in a mess. No-one will be able to afford to pay their municipal rates and municipal districts will not be in a clean and sanitary condition, on my interpretation of paragraph (*h*) of proposed section 29A.

I am also concerned about municipal public health plans. Proposed section 29B states:

Every council must, in consultation with the Chief General Manager, prepare at three year intervals a municipal public health plan.

(2) A municipal public health plan must—

(*a*) identify and assess actual and potential public health dangers affecting the municipal district; and

(*b*) outline programs and strategies which the council intends to pursue to—

(i) prevent or minimize those dangers; and

(ii) enable people living in the municipal district to achieve maximum well-being—

whatever that means—

(*c*) provide for periodic evaluation of programs and strategies.

(3) Every council must review its municipal public health plan annually and, if appropriate, amend the plan.

The staff of municipalities have enough to do without preparing a public health plan and reviewing it every twelve months.

Clause 12 sets out the special powers of the chief general manager. It reads:

If, in the Chief General Manager's opinion, there is an emergency—

I have no quarrel with that because I presume the provision refers to an earthquake, a flood or major fire, but the provision then continues—

. . . or sudden necessity, the Chief General Manager may do all or any of the following:

(*a*) Order a council to perform any duties that the Chief General Manager directs;

(*b*) Perform all or any of the functions of a council;

(*c*) Order any officer of a council to carry out a particular function;

(*d*) Order any medical officer of health or any health surveyor to perform any duties in another municipal district that the Chief General Manager directs.".

The provision set out in paragraph (*d*) is included in other legislation, and perhaps the National Party can live with it. Not one of the provisions mentions additional funding for municipalities. No mention of funding is mentioned under Part III, Nuisances. I shall not dwell on Part III, but Mr Lawrence Maher of the administrative law section of the Law Institute of Victoria pointed out that, under clause 13, the definition of "nuisance" in proposed section 40 (1) is exhaustive and thereby rules out the common-law definition of that word.

The Bill does not get it right because its provisions rule out the common-law meaning of the word "nuisance". I understand some amendments will attempt to redress that situation.

Proposed new section 40 (2) states:

'In determining whether a state, condition or activity is a nuisance—

(*a*) regard must not be had to the number of persons affected by the state, condition or activity; and

(*b*) regard may be had to the degree of offensiveness of the state, condition or activity.

In addition, proposed new sections 41 and 42 state:

Duty of Councils

"41. A council must remedy as far as is reasonably possible all nuisances in its municipal district."

Offence of causing a nuisance.

"42. A person must not—

(*a*) cause a nuisance; or

(*b*) knowingly allow or suffer a nuisance to exist on or emanate from any land owned or occupied by or in the charge of that person.

Penalty: 100 penalty units."

That is $10 000 in language understood by lay people. Further under the nuisance provision, if a council fails to investigate a complaint within a reasonable time, the person who laid the complaint can take the council to the Magistrates Court to either effect or reject the action requested. Again there is the possibility of municipalities being involved in additional costs over and above their normal activities for no real good purpose. I do not know what the intention of the government is, but certainly these procedures will be costly.

Clause 16 refers to regulations for protecting water supplies and proposed new section 81 provides for the Governor in Council to make regulations for or with respect to a number of issues, including approving chemicals to be used for the purification of water supplies and the handling of those chemicals. Proposed new section 81 (2) states:

The regulations—

(*a*) may impose a penalty of not more than 50 penalty units for any contravention of the regulations; and

(*b*) may leave any matter or thing to be from time to time determined, applied, dispensed with or regulated by the Chief General Manager or the Director-General of Water Resources."

Again the power of a municipality is taken out of its hands, and the chief general manager or Director-General of Water Resources takes over that responsibility. I shall not refer in detail to the issues contained within Part VI for the management and control of infectious diseases because the honourable member for Frankston South has already referred to that matter. I understand other honourable members will also be speaking about that issue.

Some concern has been expressed about compulsory immunisation of children, particularly by people residing along border areas of Victoria where it may well be difficult for parents to prove that the necessary immunisation of their children has been carried out before the children are allowed to attend school. Under these provisions it is possible for the principal of a primary school to prevent the attendance of children whose parents cannot produce evidence that the children have had normal immunisation programs carried out. It is true that there is no provision for a statutory declaration to be made but some families are not familiar with statutory declarations or the legalities of such documents. I believe they will have difficulty in understanding what is required of them and they will not appreciate the problems imposed on their children if they are prevented from attending schools.

I am concerned not only for residents of other States who live across the borders but also for itinerant workers such as those residing in the Mildura electorate whose children attend a school for three or four months and then move to another area where their parents have obtained seasonal work. These people must face the same problem two or three times a year.

The Bill contains some benefit but, by and large, aspects concerning the powers of the chief general manager, the health impact statement and so on are of no real value to

Victorians or to this Parliament. I believe a thorough review of the Bill and existing legislation should occur, apart from matters affecting infectious diseases. For those reasons I move:

That all words after "That" be omitted with the view of inserting in place thereof the words "the Bill be withdrawn and redrafted to—(*a*) more adequately express the methods of the provision of health services in Victoria and the transfer of duties from Health Department Victoria to local government; and (*b*) make provision for adequate funding to cover the added responsibilities placed on city and shire councils."

The ACTING SPEAKER (Mr Ernst)—Order! I advise the House that honourable members will now be speaking to the Bill and to the amendment moved by the honourable member for Mildura.

Mr WHITING—The Bill is largely a Committee Bill and considerable debate will occur in the Committee stage. I advise the House that, unless some drastic amendments are made to the Bill it will become the proverbial lawyers banquet. The way in which the provisions are drafted leave a wide scope of areas open to dispute. I hope the government will not insist on imposing those provisions onto this unfortunate State, and will consider withdrawing and redrafting the Bill to better cope with the operation of health services in Victoria.

Dr WELLS (Dromana)—The Health (General Amendment) Bill (No. 2) is large. In view of the comments of the honourable member for Mildura, one might conclude that it falls into two parts: the administrative provisions and other provisions dealing with health matters. If the honourable member is correct, the government should seriously examine his comments while the Bill is between here and another place.

There is much in the Bill that is good and which merits passage by Parliament. It will be a pity if the Bill is delayed if only administrative matters require modification. Those matters will eventually attract attention and be corrected if the system is failing due to poor practices.

I shall address a number of matters of principle in the Bill. The first aspect relates to health impact statements and clause 16 which refers to regulations for protecting water supplies. In principle I welcome those proposals because worldwide experience demonstrates that water consumed by mankind on average is not good enough. That has a profound impact on human health. Even in the wealthiest Western World societies, water supply quality is not sufficiently high.

I refer in passing to my own electorate of Dromana, where there is continuing disquiet and concern among my constituents, to the extent that I have presented to Parliament a petition containing approximately 10 000 signatures calling for the water supply of the area to be investigated. I have asked government departments to do that but, so far as I know, to date the work has not proceeded far enough.

Several years have passed. The matter is so important that there is a need for an answer on whether the water supply in the area is good enough. I shall not go into detail about it. Some things have been done. An attempt is being made to cover some of the water reservoirs, but other aspects need to be considered. The Minister responsible in this area should be reminded by my comments tonight and should take into consideration the appeals from a large number of citizens in one area of the State and treat them sufficiently seriously to get something done on this important matter in the near future. Anything that will help to obtain a higher quality of water for Victorians is desirable.

I refer now to clause 41 of the Bill, which inserts into the Environment Protection Act, Part IXB; that part deals with septic tank systems and ensuring a high quality of management and efficiency of function of septic tanks. If the proposals will improve the current practice, I should be pleased to support them.

I mention also in passing another aspect of this subject that is noted in my area of the world, where there are areas virtually like urban Melbourne but which are not on full sewerage; they are on septic sewerage. There appears to be a movement of subterranean

water from septic tanks, after treatment, across to land in rural areas where trees are being killed and other associated problems occur. This water contains high levels of nitrates and other soluble materials, and it is those sorts of materials that appear to be causing the trouble.

I flag this subject for the attention of the government because, if that is occurring in the electorate that I represent, it may be that it is occurring or is likely to happen in other areas. It would be one of a number of indications to the government to proceed with providing full sewerage as soon as possible in areas that approach normal urbanised densities of human living.

I realise the practical problem of money will rear its head in this matter and, of course, that has to be accommodated with equity for the citizens involved. Nevertheless, in areas that are approaching full urbanisation, it seems there is an obligation as soon as possible to move to full sewerage of the rather small housing lots. It is quite possible that that subterranean seepage may cause major difficulty in Dromana in the years ahead.

I refer now to clause 22, which inserts a new Part VII into the principal Act and relates to compulsory vaccination of schoolchildren. It states:

Immunisation history to be produced upon enrolment at primary school.

"138. (1) A person in charge of a primary school must, before a child attends that school for the first time, require the parent or guardian of the child to produce, in respect of each prescribed infectious disease—

(*a*) an immunisation certificate stating that the child—

(i) has been immunised against that disease; or

(ii) has not been immunised against that disease because the person completing the certificate reasonably believed that the child might suffer an adverse reaction to the immunisation; or . . .

The subsequent provisions list a number of exceptions to the requirement for immunisation. I add my voice of support to the proposal to require the vaccination of all children in Victoria, with few exceptions.

I shall not go into detail about the diseases involved, but let me say that in the Western World the survival rates for young children are so much higher that there is now a move worldwide to institute a program called Polio Plus throughout the developing world to ensure that every child is vaccinated effectively against this group of childhood diseases, any one of which may result either in death or in serious illness.

The initial requirement in Victoria is that children must be vaccinated with a triple antigen covering diphtheria, whooping cough and tetanus. Perhaps a vaccine for the mumps, measles and poliomyelitis may be added later.

In France, a recent requirement has been introduced that children be vaccinated against measles, and that has led to a 95 per cent uptake and almost the eradication of measles in that country. The information available to me suggests that a similar requirement for poliomyelitis vaccination in the United States of America has resulted in a dramatic decline—perhaps as much as a thousandfold—in the incidence of clinical poliomyelitis in young human beings.

In this country, the National Health and Medical Research Council has given its endorsement, as has the University of Melbourne, to the immunisation proposals contained in the Bill. I am sure medicos generally would also be in favour of those provisions.

There are very minor risks of adverse reactions to one or more of the vaccines in human beings. I recognise that, in a sense, it represents a mild form of benevolent dictatorship to require that all children be vaccinated; nevertheless, on balance, I am happy to support the proposal. It will be a step forward, and there is no question that, without those vaccines, we would not be rearing our children as successfully as we are now doing.

Although the honourable member for Mildura referred to the difficulties of itinerant children being covered by the vaccination provisions, society should not be disadvantaged

because of a very small number of difficulties that may occur. The best organised families do not need the assistance of such health measures; they ensure their children or other members of their family are vaccinated or otherwise treated in the appropriate manner to protect them. I suspect, by and large, that this Bill will be of more assistance to families that are not quite so well organised, perhaps because of moving around or other causes.

Because education is a legal requirement in Victoria, schools are the most appropriate entry point at which contact can be made with the children to ensure they are vaccinated. I support the coupling of the immunisation requirement with the time at which the child enters school for the first time.

I refer now to Division 6 and the subject of the acquired immune deficiency syndrome virus infection. More than any other disease in this State and nation at this time, this disease will demonstrate the desirability of vaccination of children against those other diseases to which I referred earlier, because the outstanding characteristic of the AIDS virus infection at this time throughout the world is that there is no effective method of preventing or treating it.

Some of the other diseases that I mentioned can be fatal, and until vaccines that could prevent them were produced, the human beings affected died, too. A vaccination technique that is effective makes all the difference.

The AIDS virus infection is an unusual disease of human beings. It is in the minority, in the sense that it produces a fatal infection. AIDS produces death of the individual in most, if not all, cases. The whole situation will be changed when eventually we obtain an effective vaccine against it. Until then human beings will die from this disease, although not perhaps at the rate of some of the other highly infectious diseases in the past.

Nevertheless, the figures are alarming because they show in Australia and other countries approximately a doubling in the number of cases of AIDS virus infection each ten months. Even though the rate of infection may be slow because it is a disease requiring close one-to-one contact and a high infectious dose of the virus successfully to transmit infection, nevertheless the inexorable progress of this disease is producing a doubling of clinical cases in less than each year that passes. In the past we considered a highly fatal disease of human beings to be one that has produced 8 per cent or more deaths following infection. In this case, a recent estimate is that as many as 50 000 Australians are likely to be antibody positive.

For practical purposes we assume that antibody positive state equals presence of virus in the body equals a state of infectiousness toward other people equals—in the final analysis—the death of the individual. The further down the track we go, the more highly fatal this disease is, to the point now where the vast majority of infected people die from this disease after a period which is usually of the order of one year up to as many as five or ten years following infection.

This disease, without doubt, provides for mankind in the late twentieth century, the greatest human, community and personal health challenge we have faced. There is at present no effective way of stopping the spread of this disease. The shadow Minister was correct in the figures and comments he produced in emphasising the extreme seriousness and urgency of the challenge that we face.

I was pleased recently to hear that the Victorian government had accepted a necessity, in a sensitive democracy, to see that each individual is treated, regardless of cost. Some $11 000 or so per person per annum for treatment is a high impost. The claim has been made that it is cheaper to allow the human being to be removed from the productive work force—it was not for that reason that the treatment was withheld. It has now been made available because each human being in our society is entitled to equal treatment, including the best possible chance to live a happy and successful life.

There is no question that compassion requires that we do what we can at this time to assist these people as their health runs down. The drug azidothymidine, also known as

AZT, to the best of my information tends more or less to maintain a reasonable state of health and to prevent further degeneration; but it is certainly not a desirable state.

I want to say with great sensitivity and respect towards each member of this Parliament that, in my view, this challenge is so serious that the Victorian Parliament and individual members have not yet faced up adequately to the seriousness and the challenge of the AIDS virus infection.

Each member of Parliament is obliged to inform himself or herself as fully as possible of the nature of this virus and the infection it produces, and then to do all that he or she can within his or her power, whether moving around Victoria—and, indeed, elsewhere in the world—to spread the message of information to help educate people as to what is involved.

I commend the Minister for Health for supporting the current new advertising program. If anything, that program is not sufficiently brutal. We are far past the time when we may moralise about this issue or when we may have sensitivity towards the discussion in public of what have been, in previous generations, extremely private subjects. That is no longer appropriate, because of the results of AIDS virus infection. There is no doubt that the social mores and practices of society are being rewritten today by this one factor alone. There is no doubt that for the vast bulk of human society the question of a freer attitude to personal sex and related matters will change.

People will not continue to take risks that threaten their lives in the way that AIDS virus infection does. In that regard there is one other urgent matter that must be made clear at this time. We must not, as a community, rest behind the false defence that this disease is a serious threat only to homosexuals or to people using syringes or needles—notably drug addicts, but perhaps others as well.

There is no question that the evidence elsewhere in the world is that this virus will eventually spread into the heterosexual population and, from there, to children at birth who will die before their infected mothers die, and so the whole of society will be affected.

The shadow Minister said ealier that it is likely that every family will be touched in the future by this disease. That is an absolutely horrifying prospect when one realises that the corollary is likely to mean that each family may well experience a death from someone infected by the AIDS virus. In passing, I want to reject the ideas expressed by several prominent scientists around the world that a cure for or prevention of the disease will not be found. There has not been such a case of infectious disease in modern times with the very high quality technology we now have. The first glimmer of hope is the way Australia led the world in freeing our blood banks from this virus.

Let me say again that the blood banks in Australia may now be considered to be free from this virus infection. One may use blood from Australian blood banks without any fear of infection following from it. However, that is not the case in all countries. Members of Parliament should spread the word to their constituents that if they travel abroad, especially to developing countries, they should take very seriously the prospect of not accepting blood from a blood bank in those countries.

In some African countries at present, the risk of becoming infected with the AIDS virus from a single transfusion of blood is as high as one in eleven. That is an unreasonable risk unless the recipient is facing death from lack of blood. Some people suggest that in the future we may arrange to ship blood overseas if we travel so that it is there in case of real emergency.

I illustrate this for the importance it has to individuals and also because it is an important illustration of the extent to which we are being pushed by this virus in attempting to counter it.

I understand that one of the Scandinavian countries, which has a woman health Minister, is instituting a program to attempt to isolate AIDS positive people on an island off the

coast away from the normal population; I do not intend to pursue that unusual procedure. However, I mention it because it is so extreme that it shows the extent to which we are being pushed in trying to counter this disease while we still do not have an effective method of vaccination.

The other point I raise is the pre-eminent importance of research into this disease. We heard the figures from the honourable member for Frankston South, who said that currently we are spending approximately $4 million on the disease this year in Victoria, and in the not-too-distant future the cost will be $150 million. I understand the annual bill for Australia at that time might approach $1 billion. If that is the case, from a monetary position alone, Australia, in concert with every other nation on earth, should be maximising the amount of money it makes available for research into this disease, not just for research in this country, but also for research wherever there are competent research workers who can undertake the work.

We must inject more money into a frank, brutal, hard-hitting advertising campaign to educate everybody, particularly young people, because if that is not done the result may be the deaths of young people in Victoria.

We have had debates and campaigns throughout the community in recent months, since late last year, about gun laws, and those gun laws related essentially to the loss last year of 38 people who were killed by guns, mainly as a result of domestic arguments. The AIDS virus infection has the capacity to wreak a mortality rate far higher than that, yet at this time this Parliament does not consider itself either able or willing to promote major public debate on the matter. That is wrong; it is a deficiency that should not be allowed to continue.

Firstly, the Premier of the day and, secondly, his Minister for Health, and other Ministers thereafter, followed by every honourable member of this Parliament, stand responsible for ensuring that we engage in a more effective war against this disease. Research, advertising, compassion and efficient health services are some of the major items that are required, in fact demanded, in our community's efforts to try to stop this late twentieth century plague, the like of which we have not known before.

There is a suggestion that the amendment moved by the National Party could have the effect of diminishing the attempt to control the AIDS virus infection. I hope that is only a short-term view. If the National Party's case is sufficiently strong to require a slowing down of the Bill—I am never against the slowing down of Bills through Parliament because we need to get them right before we bring them into law—I support it. We want the question of AIDS treated more vigorously and effectively. That area of the Bill demands that we get on with our legislative responsibilities as quickly as possible. I am not prepared at this time to support the reasoned amendment moved by the National Party, but I hope the government will, while the Bill is between here and another place, make the necessary effort to consider the National Party's proposals and to make whatever realistic and necessary accommodation is required to get the Bill right.

The Victorian Parliament, in my view—and I say this respectfully and sensitively—has too often rushed Bills through only to regret it later. This is an important Bill in terms of its approach to AIDS and the control of infectious disease in young people as well as some of the relatively less important matters that I and other honourable members have mentioned. It should not be rushed; we should get it right and bring it into law as soon as possible.

Mrs SETCHES (Ringwood)—I support the Health (General Amendment) Bill (No. 2) and oppose the National Party's reasoned amendment. The Bill is a competent and complete attempt at a rewriting of the Health Act 1958 that has been necessary for some time. The purpose of the Bill is to reform the law relating to public health.

Parliament should be aware that consultation has taken place since 1985, when the Minister for Health appointed Mr Alan Rassaby to head a small unit to review the health

legislation. At that time an advisory committee with wide-ranging representation was set up under the chairmanship of Dr Terry Carney, Associate Professor in Law at Monash University, to undertake a complete review of a range of legislation, including the Health Act, the Drugs, Poisons and Controlled Substances Act and the Hospital and Charities Act.

Tonight we are dealing with proposed provisions relating to the Health Act. Since 1985 there has been an overlapping and a duplication of the Health Act 1958, and a range of provisions that were in the old Act have been overtaken by new legislation that vest in other government departments responsibilities that should be administered and overseen within those departments. The Health Act has been refined to a more manageable document and has more relevance for the 1980s and 1990s.

Public health is the first line of health defence. There are those who believe that the good health enjoyed by society in the 1980s is not due to the strides of medical science, but to the reforms that have been undertaken in the public health field, such as the provision of sanitation, the disposal of unclean substances and providing pure, clean drinking water to the population. There is a lot to be said for the area of public health.

Public health programs aim to provide a physical, social, economic and cultural environment that enables people to achieve maximum well-being. Public health programs differ from other programs in that they focus on changing the environment rather than treating the individual. Treating the individual would be a poor underpinning of this sort of measure. We must attempt to change the physical environment, in consultation with individuals and organisation within the community, so that they are empowered to express a view about public health provisions with which they will have to live.

I was quite pleased with the terms of reference for the review of the Health Act—there were about eight—which had as their underpinning the recognition that individuals, the work force and the community should be able to make decisions about public health care. The review concluded that the government should provide them with the means to do that, and the Bill attempts to achieve that aim. It also enhances the rights of consumers of health services, including the right of participation in decision making. It will enable local government, which delivers public health, to have a better understanding of its responsibilities in relation to the public health provisions and to carry out its responsibilities.

I am surprised at the reasoned amendment moved by the National Party, because I do not know that local councils in Victoria, of which there are 210, would want to carry out the tasks that are set out in the Health (General Amendment) Bill (No. 2).

A number of duties of Health Department Victoria are being transferred to local government. I am not sure how local councils will feel about that even with, as the amendment states, "Adequate funding to cover the added responsibilities placed on city and shire councils".

I should like to elaborate on the part of the Bill referring to the quality of our water. Melbourne has always prided itself on the quality of its drinking water and I always felt a sense of pride when comparing our drinking water with other capital cities, particularly Adelaide and Sydney. However, I was a little surprised to learn that in 1975, through an interdepartmental committee task force on urban drinking water quality, a strategy plan had been developed to upgrade drinking water quality in Victoria.

The Bill enables some of the recommendations developed by that task force to be implemented. It will result in an upgrading of the quality of our drinking water and the Bill specifically states that the Health Act should contain regulation-making powers covering disinfection of water systems, sampling frequencies, approval of laboratories, use of particular chemicals in water supplies, provision of data by authorities and certification of operators. I remember being quite surprised to find in 1985 that our urban drinking water

was not of the quality we thought at the time and the Bill will assist in carrying out the strategies and recommendations that were suggested at that time.

In the area of immunisation, I had the good fortune recently to address the eastern metropolitan suburbs group of maternal and child health nurses at the Ringwood Council offices. On that occasion 65 maternal and child health nurses were present. When I announced that the immunisation provisions in the Bill would be brought into Parliament to allow for a higher rate of immunisation against those diseases that, in the past, had been viewed as childhood diseases, the maternal and child health nurses almost as one arose and applauded the insertion of this provision in the Bill.

For a long time maternal and child health nurses and practitioners in the field have requested that there be immunisation on a scale that the Bill attempts to achieve. One of the persons who has spoken on the issue is Professor Phelan, the Professor of Paediatrics at Melbourne University. He supports that view in the Bill and, as recently as April 1987, he directed attention to the fact that many years ago the National Health and Medical Research Council recommended that evidence of immunisation should be required prior to school entry.

This provision is law in a range of other countries throughout the world, including France and the United States of America. These diseases are contracted by children and are often thought not to be severe. When I was young, for instance, it was not thought to be serious to have a dose of, say, measles but we now know that it is a damaging disease.

My experience with measles concerns my two children who are now aged 23 and 21 years. They both contracted measles when they were aged 7 and 5 years and nothing prepared me for the degree of illness that these two children suffered when they had measles. They were so affected by the disease with rashes, coughs and many other complications, including high temperatures, that they had to be placed in the bath every few hours to bring down their fevers, and their sight was affected, although not in the long term. For seven days I did not leave my home, not even to go to the letter box while I was caring for these young children. Therefore, I support any immunisation program that would allow for a higher percentage of immunisation in our society.

Along with that disease, we are also talking about tetanus, diphtheria, poliomyelitis and whooping cough. All mothers feel a pang of regret at having to take babies along for their triple antigen injection because we know it will hurt the children and that there might be a slight reaction to the injection. Immunisation can make a child fractious and upset for a few days afterwards, but it is a small price to pay both for the child and the family for that child to have a high degree of immunisation against these diseases.

I am pleased that this view that has been adopted by parents everywhere has also been supported by large and renowned organisations such as the World Health Organisation, which is aiming for global immunisation by 1990 against all the diseases of childhood. The reason for this is simple: three million children die each year from childhood diseases including whooping cough, mumps and measles. Also, two million of those deaths are from measles or related diseases.

At present only 88·2 per cent of Victorian children complete the DTP (triple antigen)/ CDT course. The DTP triple antigen protects against diphtheria, tetanus and pertussis or whooping cough. The CDT injection is used against diphtheria and tetanus if there is a contraindication to the use of the pertussis element.

Only 77·1 per cent of children in Victoria complete the measles–mumps immunisation. The government is aiming for a 92 to 96 per cent immunisation of children against these diseases, and for mumps the government is aiming at an 88 to 92 per cent immunisation rate. This would be considered to be an effective level of immunisation within the community. The present levels of 88·2 per cent and 77·1 per cent are well behind the target to be reached.

Although these diseases may run their course within a few days or, if the child is unlucky, a few weeks, they can have enormously damaging complications later on. For instance, with measles one child in ten will contract otitis media, an ear inflammation that can cause deafness. One child in one thousand will succumb to acute encephalitis, a disease which can cause brain damage and sometimes death. Many will suffer from pheumonia and one in 15 000 will appear to recover but any time from two to twenty years later they will show symptoms of sub-acute sclerosing pan-encephalitis, or SSPE, which is fatal. Therefore, it is really quite important to achieve that target of immunisation within Victoria and the Bill will assist in that aim.

Another area highlighted in the Bill and spoken about at some length by the honourable member for Dromana concerns infectious diseases and, in particular, acquired immune deficiency syndrome, or AIDS. I am very pleased that the Liberal Party has adopted such a responsible view in respect of the provisions of the Bill.

The SPEAKER—Order! The time appointed by Sessional Orders for me to interrupt the business of the House has now arrived.

On the motion of Mr FORDHAM (Minister for Industry, Technology and Resources), the sitting was continued.

Mrs SETCHES (Ringwood)—The provisions in the Bill relating to HIV should be treated as a sensitively balanced package. All honourable members know that there is an enormous ballooning problem in the community in relation to AIDS. A bipartisan approach is required to deal with this great threat to our society. I am pleased that there is an emphasis on the counselling, privacy and antidiscrimination aspects of the virus because, as I said, there must be a sensitive approach to the matter.

Recently I visited Fairfield Hospital and had the benefit of inspecting the AIDS ward there. One could not but comment on the extremely good, sensitive and efficient care provided by the staff of Fairfield Hospital to patients who have presented with AIDS or may be suspected AIDS victims. It is horrifying that by 1991 there will be an estimated 1000 detected cases of AIDS in Victoria.

The staff of Fairfield Hospital keep the number and duration of in-patient treatment of AIDS victims to a minimum. Patients are better cared for in their homes and come to hospital only when they have episodes of acute illness which require hospital treatment.

I am pleased that Health Department Victoria has approved the design of the $1 million renovation plan for the AIDS ward of Fairfield Hospital. It will result in quite extensive refurbishment of the areas where AIDS patients are cared for at the hospital. I look forward to seeing the work being undertaken by Health Department Victoria.

I am pleased that a new committee has been established in Victoria by the Minister for Health. The former chairman of the AIDS Advisory Committee, Professor Penington, has been replaced by Professor Ian Gust and I am pleased that the very good work undertaken by that committee will continue.

The provisions of the Health (General Amendment) Bill devoted to the problem of AIDS have been supported by most groups in the community who have an interest in the disease. The Victorian AIDS Council has given its general support to the Bill, which has been publicly praised for its precision and clarity. The Bill must be proceeded with and it is gratifying that the problems will be addressed.

There are other areas of the Bill in which I have some interest. I am aware that there will be a further opportunity in the Committee stage for discussion on aspects of the Bill.

I commend the Bill to the House and hope for a speedy passage of its provisions.

On the motion of Mr W. D. McGRATH (Lowan), the debate was adjourned.

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

ADJOURNMENT

Ministerial visits—Livestock transport—Little River Primary School—Public transport for Flinders—Motor vehicle registration—Lalor High School—Upgrading of Templestowe and Bulleen roads

Mr ROPER (Minister for Planning and Environment)—I move:

That the House do now adjourn.

Mr LIEBERMAN (Benambra)—The matter I raise is for the attention of the Minister for Planning and Environment who visited north-eastern Victoria last week. I think it was on 6 April that he visted the areas in my electorate of Bright, Beechworth and Wodonga. These areas are also represented by the honourable members for North Eastern Province, Mr Evans and Mr Baxter.

No notice was given by the staff of the Minister for Planning and Environment to me as the local member nor was there any notice given to either of the other two local members, as far as I know, of the Minister's visit. It is customary that a Minister extends that courtesy and notifies members of Parliament, no matter what their political party. As I say, it is customary and it is a courtesy and protocol that the local members be notified of Ministerial visits. Unfortunately, it occurs too often with certain members of this government, although I might say not all, as some Ministers are meticulous and do advise local members of their visits.

The matter is made worse by the fact that the Minister visited Wodonga on that day. There is a particular issue in the Rural City of Wodonga which is worrying many people. The council of the Rural City of Wodonga works very hard for that city. The issue to which I refer is a controversial environmental problem. The Minister for Planning and Environment spoke to the press in Wodonga that day. It has been reported to me that when the ABC reporter asked either the Minister or a member of his staff—this is an allegation I ask the Minister to inquire into—why the council was not represented, the response was that it is up to the local members to make arrangements for councils to meet with Ministers when they visit the area. The inference was that the local members had failed in their duties.

The local members were not able to arrange for council representatives to meet with the Minister. They certainly would have if they had been given the opportunity.

I ask the Minister to make inquiries whether it was one of his staff who made that statement. If the statement was made as has been alleged, the Minister should make a public statement and apologise to the council of the Rural City of Wodonga, as it deserves an explanation.

The matter is made even worse by the fact that it has been alleged to me that when one of the members of the Minister's staff was arranging for the Minister's visit to the Shire of Bright, he was asked about the notification to the three local members—myself, Mr Evans and Mr Baxter. The Shire of Bright always asks that question because its councillors are particularly conscious of the need to involve everyone as a team in matters affecting the shire. The Minister's visit related to certain difficult mining matters in the Shire of Bright in which all three local members have been very much involved with the councillors of the shire and the community in an attempt to reach a solution. The Minister's predecessor, the Honourable J. H. Kennan, visited the shire a short time before at the request of local members.

I have been told that one of the Minister's staff, when asked that question by a Bright shire councillor, said that the Minister did not want local members to be either informed of or involved with his visit. It is alleged that the Minister directed his staff to ensure that local members were not involved with his visit. It is a serious matter and I ask the Minister to make a statement about the matter, explaining what action he intends to take about the

member of his staff who made that incredible statement. Further, I ask the Minister to explain whether the statement was made on his instructions.

If the statement was made on his instructions, I ask the Minister to explain how he could do so as a Minister of the Crown. The Minister should not continue to hold office as a Minister of the Crown after the discourtesy he has displayed.

Mr W. D. McGRATH (Lowan)—I direct my remarks to the Minister representing the Minister for Transport. I raise a matter that has been the cause of some concern to livestock carriers in the western part of Victoria.

On 1 December 1987 Road Transport Authority officers weighed five livestock-carrying transports at Heywood, in western Victoria. Although there is nothing unusual about that, I understand it was the only day in 1987 on which RTA officers weighed livestock transports.

Honourable members will recall that 1 December 1987 was probably the wettest December day ever recorded in the western part of the State. What makes the weighing of those transports of special interest is that, based on a legal limit of 38 tonnes per transport, each transport was found to be between 2 and 3 tonnes over its legal weight.

If one assumes that a fully loaded transport contains approximately 360 sheep, the overload was probably due to the growth of wool on the sheep that is capable of absorbing 1 gallon of water per sheep. I notice that the honourable member for Werribee is listening intently to what I am saying. The honourable member is a veterinary surgeon and he would understand that such an amount of water can be absorbed into the wool—and in this case could have caused the overload.

The transport drivers picked up what they considered to be a legal load at the point of loading. They transported the sheep through the rain. Some time after loading, water was absorbed into the wool, which had the effect of causing each transport to be 2 to 3 tonnes over the legal limit.

This example demonstrates the need for the government and the Minister for Transport to consider the introduction of a volumetric loading system for livestock transports. One of the transport drivers has received a summons to appear in court. I will not comment on that case.

If transport drivers are to be found guilty of exceeding legal load limits because of the circumstances I have outlined, on days when there are black clouds on the horizon stock carriers will not load their vehicles to full capacity for fear that heavy rainfall will push their load over the legal limit. That will have adverse consequences for both livestock carriers and farmers. Farmers pay for the transport of livestock on a rate per kilometre. Other movements by road transport carriers are based on a rate per tonne. There is a need for the government to take a different approach to the loading limits specified for the cartage of livestock.

The government should consider the introduction of a volumetric loading system that will have the effect of overcoming an often difficult and embarrassing situation for livestock carriers, which will ultimately affect the farming community.

Dr COGHILL (Werribee)—I direct to the attention of the Minister for Housing and Construction a maintenance problem concerning the Little River Primary School. The school is on the south-western fringe of the electorate I represent. It draws its students not only from residents in my electorate but also from residents in the electorate of the Minister for Sport and Recreation.

The Little River Primary School is a small school that is supported by a very active community. The school received a great deal of support from a fete conducted last year to raise money to replace equipment that was either stolen or damaged by a theft at the school.

The particular matter I direct to the attention of the Minister concerns painting that was carried out at the school in 1985. The painting was part of the cyclical maintenance carried out by the department in that year. This matter was directed to my attention by Ms Phillipa Douglas, who is the principal of the Little River Primary School. She says that the Public Works Department, as it then was, contracted a firm called Cappellin and Co. Pty Ltd to paint the internal and external walls. The address of that company is listed in the telephone book as 20 Victoria Street, East Brunswick.

The work carried out was subject to the then Public Works Department's usual job specifications. The contractors failed to complete the work satisfactorily. Paint began peeling from the walls of the school, particularly from the external walls, at the end of 1986.

During 1987 the then Public Works Department, at the instigation of the school, attempted to rectify the problem. The company gave an assurance that the repainting work would begin in October 1987. Last month the principal of the school was informed that the contractor was not interested in returning to the school to carry out the necessary repair work. As a consequence, in the words of the principal, "The external walls of the school now look disgusting."

It is outrageous that a private contractor should treat a proud school community with such contempt. Such an action brings into disrepute the principle of contracting out this type of work to private contractors. Usually such contractors give good service; I doubt whether any honourable member would argue with that. In this case the contractors have acted in an unprincipled fashion in refusing to rectify the faulty workmanship of employees of the company.

I ask the Minister for Housing and Construction to take the necessary legal steps to ensure that the company honours its obligations. I ask the Minister to review other contracts in which the company is involved for painting work, either in respect of schools or elsewhere in the Victorian public sector. I ask him to review the performance of the company in such areas, because it does not deserve to be given work by the government. If it behaves in such a cavalier manner, the company should be deemed unfit to be awarded contracts by the government.

Dr WELLS (Dromana)—I direct a matter to the attention of the Minister representing the Minister for Transport in another place. It may be summarised in one sentence. The township of Flinders in the electorate I represent has no public transport. At one stage, a weekly service was provided by the local council bus, but that has been stopped because of the cost factor.

The township of Flinders has been established for at least 100 years. It is growing at a steady rate, and senior citizens who do not have their own vehicles have no way of leaving the town to go and shop elsewhere. Frankston is merely a theoretical possibility. These people are virtually housebound. They can walk around the town but that is all they can do.

The government espouses equity and efficiency in administration. It should use actions instead of words. Public transport to Flinders is needed immediately. A bus service is provided to Balnarring, which is not far from Flinders. If that service could be extended to Flinders with a bus leaving the township in the morning and returning in the evening, senior citizens and mothers with children would have a chance to travel to shops or to do what ever they need to do outside the town.

This is not the first request that has been made of the government, yet the only response has been the usual letters stating that the matter will be investigated. Bureaucracy has been considering this matter for up to eighteen months.

Elaborate provisions are made for public transport in Melbourne with not just the existence of buses, trains and trams but also all sorts of concession rates travel to cover 2 or 3 hours or for a full day, concessions for pensioners and so on, but the people of my

electorate have none of that. They do not even have a bus once a week. It surely could not take the government as long as eighteen months to investigate the provision of a daily bus service in and out of a small town. The government has its policies set and it acknowledges its responsibilities for public transport elsewhere in the State. Despite this, the people in the electorate I represent have been fobbed off for eighteen months while the government investigates the matter.

I ask that the township of Flinders be given public transport extending from Balnarring to Flinders, in and out once in the morning and again at night as a bare minimum for seven days a week. It must be done now.

Mr JASPER (Murray Valley)—I direct a matter to the attention of the Minister representing the Minister for Transport. Action was taken by the former government to provide a special rate for registration of goods carrying vehicles owned by primary producers. It introduced a flat registration fee of $50 plus the third-party insurance for station wagons and motor vehicles under 3-tonne carrying capacity operated by primary producers. For vehicles of more than 3 tonnes carrying capacity, the flat fee was $100. The fee at that time was considerably less than the normal registration fee for private vehicles which is calculated on the power mass units multiplied by a separate fee for private registration.

In last year's Budget, the government decided to reduce the registration on private motor vehicles by a flat $25—not a 25 per cent reduction in the actual registration fee but a flat $25.

The following registration fees for motor vehicles in the private category apply from 1 January 1988: for a Holden Camira of 38 power mass units the fee was $51.50 last year and the $25 flat reduction reduces the fee to $26.50; for a Holden Commodore SL sedan of 51 power mass units, the registration fee at the end of last year was $68.10, which was reduced by the $25 flat reduction to $43.10.

Although I appreciate the move by the government in providing a lower registration fee for those operating private motor vehicles, the anomaly is that primary producers are now paying a much higher fee for registration. Primary producers still face difficult economic times. It should be recognised that at least half our export income is provided by primary producers, who are in the lower economic earning bracket compared with other industries throughout Australia.

The flat fee for a motor vehicle registered by a primary producer is $71 under this government, an increase from the $50 that was originally introduced by the previous government. The concessional registration fee introduced for primary producers for station wagons and vehicles under the 3-tonne capacity carrying is now—at $71—considerably higher for those vehicles registered from 1 January 1988, even with the $25 flat fee reduction.

Primary producers should at least receive the benefit of the $25 reduction that applies to all privately owned motor vehicles throughout the State. That should be done immediately, and I ask for a positive response from the Minister to assist primary producers.

Mrs GLEESON (Thomastown)—I direct a matter to the attention of the Minister Assisting the Minister for Education. I raise the matter of the provision of gymnasium facilities at the Lalor High School. That school was built in 1963 but was never provided with appropriate gymnasium facilities. The current facilities established in 1963 comprised two small converted classrooms which were totally inadequate for the student population of 900. In the late 1970s, that population increased to more than 1400 students.

The absence of proper gymnasium facilities means the students have limited opportunity for indoor sports. This affects the female students at the school especially. No drama can be held because the students have no access to space for drama production, and music programs are also limited because of the lack of appropriate space. The lack of these facilities is depriving the students of participation in a full curriculum.

It also means there is no space for large meetings, therefore, parents are inhibited in getting together and discussing education matters. The only place in which they have to meet is the library where they must move the bookshelves.

It is important to note that Lalor High School was the first post-primary school in the Thomastown electorate and it spawned schools such as Thomastown High School, Whittlesea Technical High School and Lalor North High School, which became an annexe to cater for the overflow of students from Lalor High School when its student population reached more than 1400 in the late 1970s. All those schools have appropriate gymnasium facilities and it is only fair that the needs of Lalor High School are addressed.

It is also important to note that parents of students of Lalor High School have made a commitment to upgrade the schools facilities. They have committed $150 000 to the redevelopment of two classrooms into a drama-cum-music centre for students. However, the redevelopment cannot proceed until the gymnasium facility is provided. The parents have waited a considerable period for that, and students are now visiting or telephoning my electorate office to ask when the gymnasium will be provided. The facility was promised in 1984, and when it did not eventuate, the school council accepted a modified plan at approximately two-thirds of the original cost. The modified plan has not been developed and the school still does not have a gymnasium facility. That is hindering the development of a drama and music centre, which the parents are willing to provide.

This year would be an appropriate time for the gymnasium to be provided because in October the school will celebrate its 25th anniversary. If it rains on the relevant day, the school will have nowhere to hold the celebrations. People involved with the school are proud of it and the fact that it has provided education for five generations of secondary students.

I strongly urge the Minister for Education to consider the provision of the gymnasium facility in the 25th anniversary year of Lalor High School.

Mr PERRIN (Bulleen)—I direct a matter to the attention of the Minister representing the Minister for Transport in the other place regarding two roads in my electorate—Templestowe and Bulleen roads. The Metropolitan Arterial Road Access Study—METRAS—report of 1987 recommends the upgrading of those roads from two lanes to four lanes. At page 22, the report recommends that Templestowe Road be upgraded from two lanes to four lanes from Manningham Road to Fitzsimons Lane or from Manningham Road to Foote Street.

I support the recommendations contained in the report. Templestowe and Bulleen roads should comprise four lanes. However, for reasons best known to itself, the City of Doncaster and Templestowe has decided that money is no object and that it will spend it regardless of from where it will come. It has decided that those two roads should comprise six lanes.

At various meetings, constituents of the electorate decided that only four lanes were necessary. However, the arrogant City of Doncaster and Templestowe is pushing ahead with its plans for the two roads. The roads transgress a sensitive environmental area. They travel around the Yarra River through park and swampland.

I ask the government to give a clear indication of whether it will implement the METRAS proposals to fund the upgrading of Templestowe and Bulleen roads to four lanes. If the government goes along with the City of Doncaster and Templestowe, costs will escalate because many valuable properties will have to be acquired for six-lane carriageways to be built. The residents and local community want roads of only four lanes. METRAS has recommended only four lanes, and that is what it should be.

Mr ROPER (Minister for Planning and Environment)—The honourable members for Lowan, Dromana, Murray Valley and Bulleen raised matters for the attention of the Minister for Transport. I shall refer those matters to him.

The honourable member for Werribee raised the problems at the Little River Primary School about which I know both he and the Minister for Housing and Construction are concerned. I am sure his remarks will be carefully taken into account.

The honourable member for Thomastown raised for the attention of the Minister for Education the provision of a gymnasium at Lalor High School. I shall refer that important issue to the Minister for her speedy reply.

The honourable member for Benambra raised my visit to the north-east part of the State. During that visit, I decided I should sample at first hand the significant odours emanating from part of the Wodonga area. Officers of the Ministry for Planning and Environment and I discussed the matter long before I visited the area and pointed out to me that despite the fact that the smells from the area were extremely obnoxious on many occasions, the Environment Protection Authority had received relatively few complaints and virtually no formal complaints.

When I was in the area I decided to visit the site to gain some idea of what was occurring. It was not a visit planned in advance. Indeed, the officers with me organised for a regional officer of the EPA to join me in Wodonga.

It appears that the honourable member for Benambra was offended by what someone suggested about his performance being less than adequate in this matter. I do not want to comment on the member's adequacy. I understand he will make representations to me following the visit. I shall await those representations, belated though they are, with great interest. In the meantime, the Ministry will attend to the obnoxious odours emanating from the area. It is not an easy matter to resolve because two large plants in the area give out odours and a sewerage treatment works deals with the output of those plants.

However, the government certainly intends to work with both the industry and the local community to overcome what must be an extremely unfortunate situation on a bad day and one that I am sure no member of this House would like constantly to occur. During my visit to north-eastern Victoria, which I found of considerable interest, I was pleased to be accompanied by Mr Bill Baxter, one of the honourable members for North Eastern Province in the other place, at Beechworth. We had a good look around some of the attractive parts of the Beechworth area, and the Shire of Bright was kind enough to show me its difficulty with the river valleys and mining, and the town of Wandiligong which, as a result of the planning process, has been declared a heritage town.

I was also able to meet with representatives of consumer affairs groups in the area. In my view it was a valuable day as we were able to gain first-hand experience of odours which, on that day, were not obnoxious but which I was assured by local residents can be absolutely atrocious at times. The Environment Protection Authority and I will be doing what we can to alleviate what is a significant problem for a substantial number of people in the Wodonga area.

The motion was agreed to.

The House adjourned at 11.42 *p.m.*

Thursday, 14 April 1988

The SPEAKER (the Hon. C. T. Edmunds) took the chair at 10.35 a.m. and read the prayer.

QUESTIONS WITHOUT NOTICE

CLEANING OF SCHOOLS

Mr KENNETT (Leader of the Opposition)—I refer the Premier to government mismanagement of the State's economy as exposed in the Auditor-General's report. Will he direct the Ministry of Education to contract out cleaning as set out in the policy of the Liberal Party to save the Victorian public $51 million a year in line with the findings of the Auditor-General's report?

Mr CAIN (Premier)—The Leader of the Opposition would be well aware of a whole range of comments made by the Auditor-General on a variety of activities. Ministers are noting and closely examining those comments. I have always accepted the need for improvement in government financial practices and that resource management will experience problems but it is important that the Opposition also notes the Auditor-General's strong confirmation of the improved performance in a host of agencies, and his acknowledgment of the steps that have been taken by departments to ensure that in future things are managed better.

It is of the nature of Auditor-General's reports to highlight weaknesses. The Opposition should examine the positive aspects of the report as well. The best the Opposition can do is pick out one aspect of the report and then insult the Treasurer, as the honourable member for Brighton did. If the Liberal Party had someone half as good as the Treasurer, it would not be in its present position.

The Opposition should also realise that the Auditor-General does not purport to give a balanced statement of government performance in his report. The Opposition should examine the balance of the picture. The matters that have been raised by the Auditor-General will be examined by the agencies concerned and appropriate action will be taken.

ACCIDENT COMPENSATION COMMISSION

Mr ROSS-EDWARDS (Leader of the National Party)—Will the Treasurer advise the House whether he authorised an increase in the level of equity investments of the Accident Compensation Commission prior to the stock market collapse in October last year, hoping that speculative gains would cover some of the huge deficits of unfunded liabilities of the WorkCare scheme?

Mr JOLLY (Treasurer)—The Leader of the National Party would be aware that honourable members in this House unanimously supported the expansion of investment powers of major organisations like the Accident Compensation Commission. The Accident Compensation Commission is a long-term investor, and it is important that it be given the opportunity of investing in equities so that it can boost its rate of return. I allowed the commission to begin investing in equities approximately two and a quarter years ago, and that has been the framework in which the commission has been operating since then.

Honourable members interjecting.

Mr JOLLY—The Leader of the National Party should listen to the answer to his question. Over that two and a quarter year period, despite the share market crash in October last year, the Accident Compensation Commission has earned income of $64 million, and its rate of return on investments has been 15 per cent per annum. It is

mischievous to suggest that any organisation should be judged on one month's performance. Organisations that invest for the long term must be judged on the long term, and on that basis the Accident Compensation Commission has done well.

PUBLIC SECTOR INVESTMENTS

Mr NORRIS (Dandenong)—Has the Treasurer examined the result of the broadening of public sector investment powers and, if so, what has been the result of that investigation?

The SPEAKER—Order! Did the Treasurer hear the question?

Mr JOLLY (Treasurer)—Yes, Mr Speaker, I heard the question and I hope the Opposition hears the answer. I also hope the Opposition actually reads the Auditor-General's report.

I have examined the impact of broadening the investment powers of the State's major authorities. As a result of that policy, State authorities have improved their investment performance. That is also the view of the Auditor-General, but the opponents of the government on the other side of the Chamber cannot read. They are led by an undergraduate in kindergarten economics—there is no doubt about that.

I ask honourable members to listen to what the Auditor-General had to say about the broadening of investment powers and the investment performance of those public authorities mentioned in the Auditor-General's report. Members of the Opposition should listen to these words because they do not have the capacity to read. The Auditor-General said on page 13 of his report:

> Over recent years these entities have generally recorded excellent investment performances, which have been substantially assisted through the holding of equity investments.

It is clear that the Auditor-General endorses the investment approach of the State government, as he indicates in his report that those authorities have recorded excellent investment performances.

For the benefit of honourable members, I now translate the performance of those authorities into actual gains that have accrued over the past three and a half years. The major public sector authorities, over that period, have achieved a return of $1·75 billion; that represents a rate of return of 18 per cent per annum. If the government had not allowed public authorities to invest in the equity market, but to invest only in Commonwealth bonds, those authorities would have been $300 million worse off than they are at present.

I challenge any honourable member, including the honourable member for Brighton, to deny that public authority investments have achieved an outstanding performance.

Honourable members interjecting.

Mr JOLLY—An investment performance of 18 per cent per annum is outstanding from anyone's point of view.

The Opposition obviously has done a flip on its policy of investment in the equity market, and with an amazing sense of timing, because on 19 October 1987, in a press release, the honourable member for Brighton accused me of moving too slowly. The honourable member for Brighton wants me to read that press release and I shall do so. He was critical because he said that the government had moved too slowly to take up the new investment powers.

Honourable members interjecting.

Mr JOLLY—There is no doubt that the honourable member is an economic degenerate; so far as I am concerned, there is no doubt whatsoever! Let us examine what he said.

Mr Kennett interjected.

Mr JOLLY—Yes, this could be incorporated in *Hansard*, as the Leader of the Opposition requests. I shall quote from the press release.

Mr BROWN (Gippsland West)—On a point of order, Mr Speaker, the Treasurer has indicated he desires to have the statement incorporated in *Hansard;* you may have missed his statement due to the noise in the House. However, the Opposition is prepared to grant leave for the whole press release to be incorporated.

The SPEAKER—Order! I have not seen the statement to decide whether it is suitable to be incorporated in *Hansard*; therefore I shall not accept it for incorporation. Also, it is my opinion that it is not suitable for answers to questions without notice to be incorporated in *Hansard.*

Mr JOLLY (Treasurer)—I know that the honourable member for Brighton does not like his own press release because it highlights his blatant hypocrisy! On 19 October, the very day that the New York stock market crashed, the honourable member for Brighton said:

> Mr Jolly has fiddled around while the investment funds have been burning . . . the new investment powers Bill was rushed through State Parliament in April because Mr Jolly said the superannuation funds were losing millions of dollars in investment opportunities.

I said that the investment powers Bill was necessary only because public authorities did not have the power to invest in equities. The press release continues:

> That was clearly right—we have received numerous complaints from boards and other interested parties complaining about the cost of Mr Jolly's neglect and inaction.

How amazing! On the very day of the New York stock market crash the honourable member for Brighton was advocating that I should move quickly to allow superannuation funds to invest in equities. That is what he was saying. It was blatant hypocrisy!

Let us summarise the position of investment returns. In three and a half years the government has gained $1750 million, despite the effect of the October crash. That figure is for the period to December 1987, and since that time there has been a further gain of approximately $120 million.

Overall, I agree with the Auditor-General that the rates of return have been boosted by the government's investment in equities; and that is why the government has had an outstanding investment performance, with a return of 18 per cent per annum.

The SPEAKER—Order! I call the honourable member for Brighton.

Honourable members interjecting.

Mr STOCKDALE (Brighton)—Mr Speaker, I can understand government members being rattled. Will the Treasurer confirm that he closed the door after the horse had bolted by reducing the authority of WorkCare and other agencies to make stock market investments in February 1988?

Mr JOLLY (Treasurer)—The honourable member for Brighton has no idea. Those government organisations are in the business of long-term investments. I do not know how the honourable member behaves himself, but what would have happened if I had followed his advice and pushed the superannuation funds into equities on 19 October 1987? They would have gone down the drain.

The facts of life are that the government has been involved in these equity investments for some time. I have already pointed out that the Accident Compensation Commission has been in this field for two and a quarter years. Its rate of return has been 15 per cent a year and, taking public sector authorities as a whole, the rate of return has been 18 per cent a year.

If one examines the proportion of equities to total investments held in December of last year, one discovers that the public sector organisations that have been mentioned averaged

25 per cent. On the other hand, the private sector held on average 51 per cent of its total investments in equities. There is no doubt that, when considering long-term investments, whether it be for the Accident Compensation Commission or superannuation funds, it is important to ensure that a substantial part of a portfolio is in equities because, as the Auditor-General's report demonstrates, one is sure to finish in front over an intermediate or long period. That is the reason the government has been involved in this field, and that is why it will remain an active investor in equities.

FIREARMS CONTROL

Mr HANN (Rodney)—I address my question without notice to the Minister for Police and Emergency Services, and ask: is it a fact that the government is proposing to introduce a regulation which will require a person wishing to purchase a firearm to obtain prior approval from either his or her spouse or parents residing in the same home? If so, will the Minister provide to the House details of that proposal?

Mr CRABB (Minister for Police and Emergency Services)—In discussions that I have been holding with honourable members representing the Liberal Party, the government indicated that rather than the proposal——

Mr B. J. Evans interjected.

Mr CRABB—Did the National Party only just work that out? The matter that has been discussed concerns how an applicant for a gun licence can in good faith demonstrate that he meets the criteria listed in the proposed legislation.

Mr Brown interjected.

Mr CRABB—How the Deputy Leader of the Opposition will go in his party room on Tuesday is the interesting point!

The government's original proposal was that applicants for gun licences should demonstrate that they are genuine sporting shooters by being members of genuine sporting clubs. Rather than that proposition, we must revert to the provisions contained in the Bill, which are that a person is required to be honest, sober, of good character, a farmer or person fitting into a defined category, or a genuine sporting shooter. The government would expect people to demonstrate adequately to members of the Police Force that they meet those criteria. The obvious way to achieve that is to produce evidence from other upright citizens of the community that they meet those criteria, and that is a sensible and rational proposition.

PUBLIC SECTOR INVESTMENTS

Mr MICALLEF (Springvale)—In light of comments contained in the Auditor-General's report on the continued improvement of the State's financial practices and public sector resource management, will the Premier indicate what further steps will be taken to ensure that that improvement continues, especially in investment policies of public authorities?

The SPEAKER—Order! Did the Premier hear the substance of the question?

Mr CAIN (Premier)—Yes, Mr Speaker, I did; and I shall answer it with substance and not with rhetoric. I thank the honourable member for Springvale for the question, because a lot of nonsense has been talked—and the hypocrisy is rampant so far as the latter part of the question is concerned—in relation to investment policies pursued by public authorities.

I make a couple of things clear to the House. There was a stock market crash in October. Is there anybody in this House who is saying that Victorians should have been immune from it? Who is saying that? The honourable member for Malvern says the government should not invest. That is his view. Is it supported by the Leader of the Opposition and the honourable member for Brighton? Are they saying that public authorities that have a responsibility to superannuants ought not to invest in equity shares? Is that their policy?

Let me put the real picture. The holding in equities of the four agencies that were the subject of some comment was 25 per cent of their total holdings. If one compares that figure with the figures for similar bodies in the private sector, one notes that the holding in equities of those bodies is 51 per cent of total holdings. It may be that we are more conservative.

I point out that, in the final analysis, the decision is a matter for those responsible for the funds, such as the Gas and Fuel Corporation and the State Electricity Commission superannuation funds, and the Accident Compensation Commission in relation to WorkCare. However, I emphasise that, as a government, we back a sensible investment policy. In the end, portfolio managers are responsible for the decision. Comparable bodies in other States and the Commonwealth also invest in equities.

The honourable member for Brighton, who has been in this place now for three years—and the only thing for which he has been noted during that time is for being a windbag, for making long and tedious speeches—now has another tag he can add to his name. That honourable member went outside this place yesterday and insulted the Treasurer, a man who has earned the respect of the whole of the Victorian community. If the honourable member for Brighton was one-tenth as good as the Treasurer, he could not hold a candle to him. The honourable member for Brighton is shaking in his shoes because he is afraid that Petro Georgiou will take his job.

The honourable member for Brighton had the gall to go outside this place and personally abuse the man who has put this State on a sound financial footing and who has halted the spiralling increases in taxes and gas and electricity charges over which the former Liberal government presided for years. The Treasurer has also earned the respect and admiration of the business community, our traditional supporters and the financial journalists of this State and country, which is something that the Liberal Party will never do.

The honourable member for Brighton can go on personally abusing the Treasurer as long as he likes, but it will not make a scrap of difference to the fact that the policies being pursued by the government of supporting and making provision for investment in equities by a whole range of authorities is a sensible investment policy.

If the Liberal Party is saying otherwise and if it believes that the Treasurer can play God to determine when the stock market will rise or fall, it should understand the fact that the investment policies that have been pursued, as the Treasurer has said today, have led to an enormous increase in the earning capacity of those funds over what they would have earned if they had remained invested in Commonwealth or semi-government investments or fixed income securities.

The Opposition can carp as much as it likes. If it is saying that the government should direct the fund managers not to invest 25 per cent of their overall holdings in equities it should come out and publicly say so. The Opposition has gone on with the nonsense of attacking the Treasurer for being prepared to say to investment managers: "It is your decision, but I believe you are right". I believe investment managers are right in putting a reasonable part of investments in shares and in equities. Does the Opposition say that 25 per cent is not reasonable; what is it saying?

Honourable members interjecting.

Mr CAIN—In the long run investment managers are responsible for making those decisions. Honourable members should look at the matter across the board and at the long-term benefits. The honourable member for Brighton is obviously worried. He made a goat of himself yesterday and all of his mates in the business community know that he is absolutely wrong in what he has said. The Treasurer has ensured that appropriate investment policies are pursued and that is what the investment managers are doing. It is total humbug to say otherwise.

ASSETS OF STATUTORY AUTHORITIES

Mr BROWN (Gippsland West)—I ask the Treasurer: what action he has taken to protect the assets of statutory authorities against any future crash in stock market prices?

Mr JOLLY (Treasurer)—It is obvious by the question from the Deputy Leader of the Opposition that there are two undergraduates in kindergarten economics in the House.

The reality is that the government has set in train investment policies to expand the investment powers of the major authorities. The government has done that so that the authorities can earn higher rates of return. If the Deputy Leader of the Opposition cared to read the chapter by the Auditor-General on investments, he would find that the authorities have an excellent investment preformance. That was a statement made by the Auditor-General.

The Auditor-General also said that the month of October must be looked at in a longer-term context. He stated that categorically; that is why he drew the conclusion that the statutory authorities in this State had an excellent investment performance.

For the benefit of the Deputy Leader of the Opposition—although he may not read the Auditor-General's report, he should at least listen to the answer to his question—a survey conducted in December 1987 by the journal *Superfunds* highlights the fact that over various periods there have been higher rates of return on equities compared with government securities.

Mr Williams interjected.

Mr JOLLY—The honourable member for Doncaster should be interested in this because I assume he likes to see a maximum rate of return on funds as well.

In the five-year period to June 1987, government securities earned 17 per cent per annum and equities—that is, shares, for those honourable members opposite who do not realise that equities are share investments—earned 34·2 per cent. Over ten years, the corresponding figures are 12·5 per cent for government securities compared with 26·2 per cent for equities.

There is no doubt that the government has taken the appropriate approach with its investment policies. In October 1987, the honourable member for Brighton actually wanted the government to rush into equity investments. That is what he was on about. An honourable member interjects to say that the honourable member for Brighton did not say "equities"; to what was he referring? He probably did not know what an equity was at that stage!

The reality is that the honourable member for Brighton was responding to the pressures of the Local Authorities Superannuation Board, which wanted to invest in equities. The honourable member for Mornington says, "Rightly so".

Mr Cooper—I said, "It is not so!"

Mr JOLLY—He says that it is not so, but it is so, and the honourable member for Brighton would not deny it.

The facts of life are that we have moved to expand these investment powers. I repeat: as a result we have had a much higher rate of return. I challenge anyone to say that a return of 18 per cent per annum over the past three years is not a satisfactory return. It is an outstanding performance that is recognised by the Auditor-General.

PAPERS

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

Parliamentary Committees Act 1968—

Ministerial Statement by the Minister for Health in response to the Economic and Budget Review Committee Report, "A Labour Market Study for Radiologists".

Ministerial Statement by the Minister for Health in response to the Economic and Budget Review Committee Report on the Inquiry into the Method of Remuneration for Visiting Medical Staff at Public Hospitals.

Planning and Environment Act 1987—Notice of approval of amendments to the following planning schemes:

The Bacchus Marsh Planning Scheme—Amendment No. L3.

Bairnsdale (Town) Planning Scheme—Amendments Nos L3, L6.

Bass Planning Scheme—Amendment No. L3.

Bright Planning Scheme—Amendment No. L1.

Cranbourne Planning Scheme—Amendments Nos L3, L4.

Geelong Regional Planning Scheme—Amendment No. R3.

Gisborne Planning Scheme—Amendment No. L1.

Kilmore Planning Scheme—Amendment No. L2.

Latrobe Region Planning Scheme—Amendment No. R2.

Maffra Planning Scheme—Amendment No. L1.

Marong Planning Scheme—Amendment No. L1.

Melbourne Planning Scheme—Amendment No. L1.

Metropolitan Region Planning Scheme—Amendments Nos R1, RL2, RL3, RL4, RL14.

Mildura (City) Planning Scheme—Amendment No. L1.

Mildura (Shire) Planning Scheme—Amendment No. L2.

Minhamite Planning Scheme—Amendment No. L1.

Rochester Planning Scheme—Amendment No. L1.

Strathfieldsaye Planning Scheme—Amendment No. L3.

Traralgon (City) Planning Scheme—Amendment No. L13.

Wycheproof Planning Scheme—Amendment No. L1.

Statutory Rules under the following Acts:

Fisheries Act 1968—Nos 110, 111, 112.

Hospitals and Charities Act 1958—No. 108.

Racing Act 1958—No. 109.

Tobacco Act 1987—No. 107.

GRIEVANCES

The SPEAKER—Order! The question is:

That grievances be noted.

Mr STOCKDALE (Brighton)—My grievance concerns the Treasurer and the urgent need for the government to abandon the so-called "modern money management" policies that this discredited puppet of the union movement has pursued over the past six years.

Yesterday the Auditor-General—an independent statutory officer of this State—handed down his second report for this year. One incontrovertible fact is revealed in that document: the Treasurer lost $918 million in the stock market crash last year as a consequence of the deliberate policies he had been pursuing. The Treasurer admitted in question time today that those policies are high-risk policies. One does not have to debate whether the Treasurer has been pursuing high-risk policies because he admitted it. The Treasurer used the rate-of-return argument on the basis that he pursued high-risk investment strategies.

Who is responsible for the losses? Who is responsible for this government's economic and financial policies? The Treasurer claimed the credit in Parliament this morning and, when things go bad, it is the Treasurer who is responsible.

In the *Sun* this morning the Treasurer was rightly called Victoria's mug punter Treasurer because that has been his record. The two most important developments in the past six months in relation to public finance in this State have been the two reports of the Auditor-General.

The Auditor-General took on the responsibility of reporting on two major financial issues. The first was stock market gambling, on which $918 million was lost. The second concerned foreign exchange dealings—overseas borrowings, mickey mouse loans taken out by this mickey mouse Treasurer, on foreign exchange markets, gambling irresponsibly that the Australian dollar would remain firm against other currencies. Those dealings resulted in losses of $700 million. Those are two reports by an independent statutory officer holding the Treasurer accountable for his policies. Those losses were incurred not as a result of accidents of history but as a result of policies the Treasurer has deliberately pursued.

The reality is that the Treasurer is personally responsible because he is the Minister in charge of those policies and is also the Minister in charge of all but two of the statutory authorities which incurred these massive losses. The Auditor-General's report lists the bodies which have invested superannuation funds, the Accident Compensation Commmission, the Transport Accident Commission and the State Insurance Office.

Who is the Minister responsible—or should I say, irresponsible—for those authorities? It is the Treasurer, this discredited mug punter, as the *Sun* described him.

Why has he been driven to these policies? The most important of the authorities concerned, the biggest loser, is the Accident Compensation Commission under the WorkCare scheme. Why did WorkCare have more than 50 per cent of its assets on the stock market? The answer is, because it is the biggest loss-making enterprise in the history of the Western World. I confidently put it to the House that no other commercial entity in history anywhere in the world has lost $1700 million in 22 months of operation.

Who did that? Who is the architect of WorkCare? Who is the Minister responsible? Who is the hack of the trade union movement who succumbed to every demand of the movement and foisted this financial catastrophe on the Victorian community? Who is the Minister? There are no prizes for guessing: it is, yet again, the mug punter Treasurer.

The Treasurer is the person responsible for the design of WorkCare. He gave us the $1706 million loss—nearly $2 billion lost in less than two years. Why has the Minister been driven to high-risk policies? Let us look at how the Premier dropped the Treasurer right in it, right in a very pungent and objectionable commodity, during question time this morning. What did the Premier tell us about investment policies? The Premier told us that the appropriate level of investment, the level he was prepared to defend, was 25 per cent of total investment portfolio.

The Premier made it clear—he went back time and again during question time this morning to put it to the House—that the appropriate level of investment in the equity markets, the stock markets, was 25 per cent.

Let us apply the Premier's measure to the conduct of his Treasurer—the man he should sack today. If the Treasurer were in private industry, he would be looking for a job today. Even if he were at the top of the tree in private industry he would be out on the street looking for a job today, so irresponsibly has he behaved. I do not have to establish that, because the Premier established that during question time this morning. The Premier said that 25 per cent was the appropriate level of equity investment.

We need only turn to table 2.1E of the Auditor-General's report issued yesterday, which sets out the proportion of stock market investment of the authorities which are the big losers from the mug punter's actions.

The table shows that the Accident Compensation Commission had 42·3 per cent of its total assets on the stock market; the City of Melbourne Superannuation Fund, 38·5 per cent; the Gas and Fuel Corporation Superannuation Fund, 40 per cent; the Hospitals Superannuation Fund, 27·9 per cent; the Melbourne and Metropolitan Board of Works Employees Superannuation Fund, 45·2 per cent; the State Electricity Commission Superannuation Fund, 28·5 per cent; the State Insurance Office, 4·9 per cent; and the Transport Accident Commission, 17·3 per cent.

The majority of those organisations did not meet the test established by the Premier during question time today, and, very importantly, that is after the stock market crash, that is the point, after the values of their equity investments had been halved by the stock market crash and the slide in stock prices to the end of last year.

The position was even worse before the crash. The annual report of WorkCare, an authority for which the Treasurer is responsible, for 1986–87 shows that, as at 30 June, this puppet of the Australian Council of Trade Unions, this hack of the union movement, this irresponsible gambler, had 51 per cent of the total assets of WorkCare on the stock market at a time when the dogs were barking all round the world that a crash in the stock markets was inevitable. This was not a time when we had a short upturn in the market; this was a time when a bull market had run for two years.

Every responsible financial commentator was urging caution, emphasising that there would inevitably be a downturn in world stock markets. Nobody could have foreseen the extent of the crash, and the Opposition does not hold the Treasurer responsible for the crash, but we are talking about investment policies. And what did the Treasurer do after June? By June last year there was widespread concern about the overheating of the stock market. One would have been hard-pressed to find anybody who was not urging caution and saying that the stock market had been booming for two years, that unrealistic levels were being achieved on the market day after day and that asset backings were not there to support the level of prices that the market hysteria was building.

During that third quarter of last year, what did the Treasurer do in that environment? He put WorkCare deeper into the stock market. He went ahead with another plunge of stock market investment and took the statutory authorities, the superannuation funds and all the rest with him. He irresponsibly plunged on the stock market at the very time when the stock market was shaky, when people were losing confidence in it, and when it was bound to take a downturn in the near future. We know that because of the Auditor-General's report.

We know that on the projected financial data of WorkCare at 30 June, the puppet Treasurer had 51 per cent of WorkCare's assets on the market. If the downturn in the market is applied to that level of assets, plus the inflow of investment funds, WorkCare would have lost something of the order of $200 million. That is what the Opposition has been saying since the stock market crash, that WorkCare had an excessive commitment to stock market investment and had lost a great deal of money. We estimated it at between $150 and $200 million. But what do we find when the figures come out? It is not $200 million but $245 million—clear evidence that even after June last year the Treasurer continued his irresponsible, mug-punting policies. He actually increased the proportion of WorkCare's assets on the stock market. It can be confidently asserted that about 60 per cent of WorkCare's assets were on the stock market at that time.

What has the Treasurer done since that time? What did he do in the light of the stock market crash? Did he, as he suggested during question time this morning, continue with the irresponsible gambling policies he had forced upon the statutory authorities? No, he did not! What he did was to issue guidelines that reduced the authority of statutory bodies to make stock market investments.

I have in my hand documents obtained under the Freedom of Information Act from the Accident Compensation Commission. They are instructions to the fund managers of WorkCare, to the agents who manage its portfolio. One must bear in mind that the investment policy this mug punter imposed on these authorities was to have between 50 and 60 per cent of their total assets on the stock market.

These two letters, both dated 23 February 1988—long after the stock market crash—show WorkCare, on the advice of the Treasurer, reducing the authority of the investment managers so that they could have, in one case, only 40 per cent and in another case only 30 per cent of their total assets on the stock market and in property trusts. That is a crass and clear admission of fault and failure by the Treasurer in his own area of Ministerial responsibility.

We do not have to assert that he had the wrong level of investment; he has admitted it because he came along after the damage had been done, after the horse had bolted, and acted to bring the authority back to more reasonable levels. From where did this figure of 30 to 40 per cent come? The Auditor-General appeared before the Economic and Budget Review Committee this morning and, under questioning, indicated to the committee that in his wide experience statutory bodies could be expected to have approximately 30 to 35 per cent of their assets on the stock market.

The Treasurer has sought to build up a false trail in the debate. The Opposition has not said and does not say that equity investments are inappropriate for statutory bodies; it has never said that. It has not said that in the press release that the Treasurer has lied about consistently, including in Parliament this morning. The Treasurer has consistently lied in the media on the contents of that press release and why is it that no-one is asking me to withdraw that statement? Why was I not asked in question time this morning to withdraw the allegation that the Treasurer was lying? The reason is that it is a fact that he lied. The press release does not state one word about equity investment and the fact that the Treasurer is driven to tell lies in this House and in the media is . . .

Mr ROWE (Essendon)—I raise a point of order, Mr Acting Speaker.

Mr Stockdale—Here we come! The puppet is rising to defend the Treasurer!

Mr ROWE—On a point of order, Mr Acting Speaker, the honourable member for Brighton is getting quite excited on this issue and is using unparliamentary language. If the honourable member wishes to make this a serious and sensible debate, he does not enhance that objective by making a personal attack on the Treasurer.

The ACTING SPEAKER (Mr Stirling)—Order! I was about to remind the honourable member for Brighton that he was sailing close to the wind, and I caution him on that point.

Mr STOCKDALE (Brighton)—Thank you, Mr Acting Speaker. The point I am making is that, if the Treasurer is driven to such extraordinary lengths to defend his position, and if no-one seeks to defend him until they are driven to do so by my drawing attention to his failure, one can only conclude that the Treasurer is guilty, and he knows he is guilty.

The Treasurer is not even prepared to defend himself. Why is he not here? Why does he have the incompetent Minister for Local Government sitting in his place at the table? He should defend himself, and I call on him to come into the Chamber. Let us hear his side of it. Let him defend himself from the black and white documents that have been released under the Freedom of Information Act.

He admitted in February that he had done the wrong thing last year. He tied back the authority of the investment managers to 30 and 40 per cent, and these are not isolated instances. This is not a new thing that has come out on foreign exchange losses and share market investments. It is all part of the picture of the worst Treasurer in the history of this country and possibly in the history of the world.

No-one has ever set up an authority that lost $2 billion in two years. No-one comes within a bull's roar of meeting that record. No-one else has lost $700 million in foreign exchange dealings. No-one has ever lost $900 million on the stock market before. No-one else has ever lost $2 billion in five years on third-party insurance. No-one has ever lost $2 billion in two years on workers compensation. No-one has ever got into the funny money policies of this clown; no-one has ever gone into sale and lease-back arrangements . . .

The ACTING SPEAKER—Order! The honourable member will withdraw that expression. It is unparliamentary.

Mr STOCKDALE—I withdraw it. No-one else has ever failed the people of any State on the scale that this Treasurer has failed them. He is without doubt, in black and white and in the Auditor-General's words, a monumental failure.

What about his funny money policies? Victoria will have to pay for decades to come for his funny money policies. He has mortgaged the lives and futures of my children. That is why I am angry—they will have to pay for his failure.

What about the sale and lease-back of railway assets? The people of Victoria acquired those assets over many generations and the Treasurer sold them off and converted $600 million of assets into $1200 million of liabilities.

The Treasurer has statutory authorities selling deferred annuities and in ten years' time we will have to pay $280 million to redeem the $100 million he has squandered this year. What about the Victorian Equity Trust? It is a shameful proposal. Even his own mate, the Federal Treasurer, would not accept the Treasurer's borrowings and required him to bring the trust within the borrowing guidelines.

In terms of the Monash Medical Centre, the Treasurer has dishonestly got around the guidelines set down by the Australian Loan Council and set up a private company to borrow money and build a hospital, and the people of Victoria now have a $135 million hospital for $400 million. He could have borrowed the money at interest and repaid it over ten years, and it would have cost half the debt that he has inflicted on the Victorian community. After the Treasurer has paid out $22 million a month for five years to lease a hospital, we will not even own the hospital.

The people of Victoria have been robbed blind by this man and the end result is that they pay the highest level of taxation in the country. No other Treasurer taxes people like this Treasurer taxes them. He squeezes blood out of their very bones to pump up his irresponsible policies.

The Minister is a joke. The Premier has told us today that it is wrong to insult him; but all the Opposition has done is to tell the truth about what the man has inflicted on the Victorian community and the Victorian public sector. He has brought public finance in this State down to a joke and he is a joke in the community. It is a case of Labor Party arrogance and its out-of-touch-with-the-community approach. The government has to go and the sooner we have a State election, the better. If the Premier is interested in trying to rebuild some credibility for the government, the first step he should take is to sack the Treasurer and get rid of this so-called modern money management that has brought the State to its knees.

Mr W. D. McGRATH (Lowan)—My grievance relates to the government's appalling position on road funding for Victoria, particularly on country roads. Country newspapers in the past twelve months have continually published the concern expressed by municipalities and their engineers around Victoria at the condition of the roads.

Approximately twelve months ago a demonstration was held at Horsham where all of the municipalities in the north-west region came together in a public protest. The then Minister for Transport, now the Minister for Planning and Environment, appeared at that forum but was not able to provide satisfactory answers and a further meeting has been held, this time at Warrnambool.

Among the people who participated in the protest were the honourable member for Warrnambool, the National Party Federal member for Murray, Mr Bruce Lloyd, Mr Roger Hallam, one of the honourable members representing Western Province in another place, and the Leader of the National Party. I was there also, along with the south-west district road funds campaign committee.

What is being demonstrated again is the lack of consideration by the State Labor government in providing adequate funds for rural roads. Honourable members need only read the statement of the new Chairman of the Road Construction Authority, Mr Ian Stoney, who was echoing the sentiments of the Minister for Transport at the time. At the 44th conference of municipal engineers held on 18 February of this year, he said that at State and Federal levels the major economic priority throughout the nation is supporting trade-exposed manufacturing activity, and:

> Therefore investment in urban arterial roads must be a priority.
>
> This will mean a transfer of some funds from the rural area in the short to intermediate period.
>
> It should be noted that, because most rural products are marketed in metropolitan and provincial areas or reach international markets through those areas, good sense says that improvements in urban road accessibility assist the competitive position of those products.

As I said, the Chairman of the Road Construction Authority was undoubtedly echoing directions from the Minister for Transport that priority must be given to the metropolitan and urban arterial roads and that, in the short term, the priorities for the funding of rural roads are to be forgotten.

That is of particular concern to the engineers servicing municipalities in country Victoria. From the positions they hold in those municipalities, it does not matter to them whether adequate funds come through, but they point out that, if there is a continuing decline in the standard of roads in rural Victoria, rural and city communities will become more divided.

The economic base of the State will also continue to go into decline. One area which the Labor government seems to overlook continually or misunderstand is the value of rural commodities, whether they be wool, wheat, dairy products or whatever, as well as the associated secondary industries. Rural communities need the transport link of rail and road and, unless it is a proper and sound link to allow movement of commodities, there will be further economic decline in Victoria.

One need only look at the annual report of the Road Construction Authority for the year ended 30 June 1987 to have that confirmed. Things have not improved in this financial year by any means, but the 1987 annual report lists the expenditure of funds on the various road categories.

I refer to main roads. For construction and reconstruction, the figure in 1986 was $8·511 million; for maintenance it was $1·599 million. The fall has been quite dramatic. In 1987, for construction and reconstruction the figure was $5·023 million; for maintenance it was $658 000.

The other figures which are startling and cause particular concern to local communities relate to the expenditure of funds on unclassified roads, which in the main are the responsibility of local municipalities. Each year local municipalities receive a grant from the Road Construction Authority to undertake improvements to unclassified roads, whether through reconstruction or maintenance.

In 1986, the amount made available through the Road Construction Authority for unclassified roads was $3·655 million for construction and reconstruction and $1·729 million for maintenance. In 1987, there was an allocation of $2·715 million for construction and reconstruction and $752 000 for maintenance. Those figures reflect an effective 30 per cent decrease in the funds made available by the authority to local municipalities. They are causing grave concern in country municipalities.

Not only has there been a collapse in the amount of road funding, but also under the new formula of the Victoria Grants Commission the funds allocated to rural municipalities have been eroded and there is no real financial assistance coming through from either Federal or State governments.

While there is categorisation of roads by both the State and Federal governments, there is confusion between those categories. There must be uniformity in road categorisation at Federal, State and local government levels. This will provide a proper understanding of who is responsible for particular roads and motorists will learn which authority to approach about maintenance or reconstruction of a road. If there were uniformity, responsibility for the road could be identified. People are currently being sent from local government to State government and to Federal government authorities in their endeavour to discover who is responsible for the programming and funding of a road. It is a confusing situation for Mr John Citizen, motorist.

As I have said, there must be proper indentification of the categories of roads within Victoria to allow for clear identification of the source from which funds are allocated. Funds from the Federal government are precisely identified by the categories of roads to which they are applied. It is almost impossible to identify exactly where the State is allocating its funds, no matter how many reports one reads, including that of the Road Construction Authority. All one hears are statements by the Chairman of the Road Construction Authority that priority must be given to urban arterial roads. I have expressed this concern in Parliament before.

The State government has pinpointed specific national roads which service the metropolitan area down to the Latrobe Valley, along the Calder Highway, and along the Western Highway to Ballarat to put a case to the Federal government for additional funds. Yet the State government has omitted to include in that strategy the roads servicing the port of Portland.

One need only refer to *Hansard* to see the number of times I have emphasised the importance of the port of Portland to the economy of Victoria, particularly to the western part of the State. I have referred to its importance to the economic stability and growth of the Western District.

During its last months in office the government needs to lift its game in relation to the allocation of road funds for various country municipalities.

Municipal shire councils have received a fair old beating from the government over the past couple of years. The councils were forced onto the defensive by the government's program to restructure local government. Local government will have to deal with the provisions contained in the Health (General Amendment) Bill (No. 2), which has recently been introduced by the government. The government is endeavouring to force greater responsibilities onto local government.

Councillors in country areas have been organising meetings in an attempt to come to terms with the Victoria Grants Commission formula, which they see as bringing about a financial strangulation of their activities. Meetings have been organised at which shire councillors, engineers and local members have tried to examine how to maintain the road networks for which municipalities in country areas have responsibility.

The National Party stresses the need for greater consideration to be given to the condition of roads in country areas than has been given by the government during its time in office. The National Party recognises the need for freeways to be constructed in the metropolitan area. Honourable members will be aware of the linking of the West Gate Freeway to the South-Eastern Freeway. The National Party does not criticise the establishment of such networks because they allow for a better movement of traffic within the metropolitan area.

Freeways and bypasses have been constructed in country Victoria. On the Western Highway, for example, a bypass has been constructed around Melton. That has been very effective because it has rid Melton of the bottlenecks that once occurred. A $4 million

bypass was constructed around Dimboola in the Wimmera region. The National Party does not criticise such constructions.

While the government is giving priority to the construction of freeways and bypasses in the metropolitan area, the National Party believes a more equitable share of road funding should be given to local government, particularly in country areas. Local government is the third tier of government in Australia. A fair and equitable share of road funding should be given to local government authorities to enable them to maintain their road networks, particularly in country Victoria.

I doubt whether the government will increase funding to local government during its last months in office. The National Party will make road funding an election issue. Such a policy will find receptive ears among electors in country Victoria. The National Party will pursue that line during the lead-up to the election. It will give greater priority to the financial needs of local municipalities—especially their need to maintain and upgrade the road networks for which they have responsibility. Those road networks have been neglected because of the lack of government funding for local government.

Mr ROWE (Essendon)—My grievance is about hypocrisy in public life in Victoria. I raise a matter in respect of the Auditor-General's report, particularly as it pertains to the investment performance of the Victorian public sector. Honourable members will be aware of the studies and inquiries that have been conducted on this issue in a bipartisan way over many years.

The first matter I direct to the attention of honourable members concerns a report of the Economic and Budget Review Committee, entitled "A Review of Superannuation in the Victorian Public Sector", that was tabled in April 1984. I direct that report to the attention of honourable members because the committee spent considerable time and resources looking at the investment performance of superannuation funds in particular.

Honourable members will be aware that the Auditor-General's report, which was released yesterday, notes the decline in the investment performance of a number of public sector superannuation funds as a result of the crash of the share market in October 1987.

Opposition members, particularly the honourable member for Brighton, have attempted to make much of that decline. It is the shonkiest attempt at political gain I have witnessed since I have been a member of the House. Opposition members have selectively quoted from the report and have ignored the main issues. Their attack is a cheap political stunt designed to scare those Victorians who participate in public sector superannuation schemes.

The honourable member for Brighton has called on the Treasurer to resign. When a sensible and proper analysis of this issue is made by the media, and when the issue is debated fully in the community, the result will be that the honourable member for Brighton will lose his shadow portfolio. The honourable member has already lost his responsibility as the spokesperson for the Opposition on WorkCare. He has failed in that area; and he has failed to come to grips with the economic issues involved in his present responsibilities. The honourable member may be a smart lawyer but he does not understand economic issues.

In 1984, the following honourable members were members of the Economic and Budget Review Committee, of which I was the chairman: the honourable member for Prahran, who was the deputy chairman; the Honourable G. P. Connard; the Honourable B. P. Dunn; the honourable member for Coburg; the Honourable J. V. C. Guest; the honourable member for Mitcham; the honourable member for St Kilda; the honourable member for Benalla; the honourable member for Balwyn; the honourable member for Forest Hill; the Honourable G. A. Sgro; and the honourable member for Ballarat South.

The recommendation of the committee, which was adopted by the government, was that the investment powers of superannuation funds ought to be changed, so that there is the opportunity to invest in equities. The investigations of the all-party committee took eighteen months to complete. The advice of private consultants was sought and a proper

analysis of the issue was undertaken. If the honourable member for Brighton wants to discover all the facts of the matter he should read that report.

I direct to the attention of honourable members page 298 of the report of the all-party committee. The recommendation made by that committee was unanimous. It is hard to understand what the honourable member for Brighton hopes to achieve by raising the issue, because frontbench members of his party supported the recommendation, which states:

That investment in shares is fraught with uncertainty is something that the committee acknowledges—

That is stating the obvious—

. . . the price of a greater return is greater risk. Whilst the value of ordinary shares may fluctuate widely in the short term, shares and property have been demonstrated to be the most likely to produce real rates of return (i.e. greater than inflation) . . .

The honourable member for Brighon should note that—

. . . over the longer term and hence they are especially important investment avenues for defined benefit schemes.

That is, public sector superannuation schemes. That is what was said on the issue in 1984 by the all-party committee, which included frontbench members of the Opposition.

The honourable member for Brighton has selectively quoted information on the issue in an attempt to discredit the Treasurer. The Treasurer inherited a run-down department when the government came into office, and he has successfully turned the Victorian economy around.

Mr Harrowfield interjected.

Mr ROWE—The honourable member for Mitcham has interjected that the previous Liberal Treasurer was a part-time Treasurer. The honourable member for Brighton knows that these are the facts because, like me, he is a member of the Estimates Committee of Parliament. As a result of inquiries that have been undertaken by that committee, it has become obvious that the Department of Management and Budget is an effective central agency.

During question time in the House earlier this week the honourable member for Brighton raised the issue of growth in staff numbers in the Department of Management and Budget and the use of private sector consultants. He failed to recognise that under his party's stewardship there was no centralised agency coordinating financial management in this State. No section within the former Treasury could effectively work in that area. The former Liberal government did not have the effective government structures that have since been established by the present Treasurer.

I am happy to go out and argue that the government should have increased staffing in the Department of Management and Budget. I am proud that that department has doubled its staff numbers because it is working as a central agency and that staff is required. The department has provided the impetus for the economic reforms that have occurred in this State.

In the report of the Estimates Committee tabled in Parliament last year, I said in the foreword that the Budget was one of integrity. The Estimates Committee analysed the Budget in depth and I pointed out that a revolution had occurred in the past five years in the financial and economic management of Victoria. That did not happen by accident but by the direct intervention of the Treasurer and through the performance of the Department of Management and Budget.

I am at a loss to know why the honourable member for Brighton would argue against that central agency role when he knows full well what happened under the previous government, which had no central agency and only a part-time Treasurer. It is no wonder the State was going downhill under a Liberal government. The hypocritical attitude of the

honourable member for Brighton was shown further today with the selective arguments he used about investment performance and the use of private sector consultants. Does the honourable member say that that sort of expertise should not be used? How does he envisage the public sector would operate? Maybe he would prefer that major reforms were conducted in secret and that the management skills and expertise that have been developed within the private sector and the major accounting firms involved in advising the corporate sector should not be used.

It is a cheap trick to take a headline out of context and say that the number of staff in the Department of Management and Budget and the use of consultants has increased significantly within a short period, when, in reality, that statement must be considered within the context of the performance of the previous government.

The issue that should be debated today is the investment performance of the public sector. I have already directed attention to one passage from the 1984 report of the Economic and Budget Review Committee. I refer to another passage in that report dealing with investments of superannuation funds. The committee said:

> The performance of the major funds has suffered significantly from the lack of active investment management. As a result, government and other public sector employers must meet higher costs for superannuation than they should. Change is clearly necessary.

This is an all-party committee saying that superannuation funds should be given the power to invest on the stock market. What we have heard today from the honourable member for Brighton is carping criticism. Is the Opposition saying in relation to these major issues that, if in government it would not invest in the same area? The honourable member has taken the example of a loss of investment in a one-month period. One must read the whole report of the Auditor-General, not simply the headline, to put the matter into context. Page 13 of the Auditor-General's report tabled yesterday in Parliament states:

> Over recent years these entities have generally recorded excellent investment performances which have been substantially assisted through the holding of equity investments.

Does the Opposition suggest that the performance of the government in that area is incorrect? If so, that is the most selective use of a quote that I have heard in the past decade.

In response to a question without notice this morning, the Treasurer said that a study reported in the December 1987 edition of the journal *Superfunds* showed that one needs to consider the relative position of alternative investments over time. That is really the crucial factor. If the Accident Compensation Commission and the superannuation funds had invested in government securities or other securities and property, different results would have ensued.

If funds had been invested in government securities for the five-year period to June 1987, the rate of return would have been 17 per cent. Over the same period, the rate of return from equity was 34·2 per cent—almost double. The Opposition has no economists amongst its ranks. I should like to know, if the government had invested in government securities, from where the shortfall in Accident Compensation Commission and superannuation funds would have been made up. Of course, employers would have had to pay more and the consolidated revenue would have had to put in additional funds.

I wonder what extra taxes the Opposition would impose if it did not wish to invest funds on the stock exchange and double the return on government securities. The return from investing in property over the five years to June 1987 would have been 19·9 per cent, still far lower than the return on equities of 34·2 per cent over the same period. Its argument does not hold up to scrutiny.

One can consider investment over a longer period. Over a ten-year period, investment in government securities would have returned an average rate of 12·5 per cent compared with 26·2 per cent for equities and 18·7 per cent for property. One could also take a fifteen-

year period. The longer period one takes, the more reinforced is the argument that investments should be in equities.

The record shows that over the previous two decades of Liberal government these issues were not addressed. The Liberal Treasurer did not have the expertise to identify the income forgone and the losses accrued to the public sector through incompetence. The government has identified the problems and brought in the legislative and administrative reforms necessary to address decades of neglect in this area. The honourable member for Brighton has the gall to criticise the Treasurer who has brought that about. It does not add up; it is the greatest load of hypocrisy I have heard in political debate.

If one considers the annual rates of return over a longer period, one sees the truth in stark relief. From 1900 to 1985, investment in equities would have returned 13·2 per cent, whereas investments in government securities returned 4·4 per cent. The figures are clear, and honourable members should involve themselves in arguments of that type. In the long term, the Treasurer and the government will be seen as having acted in the proper manner.

The honourable member for Brighton indicated that the dimension of the loss by the government in the share market crash was not mirrored in the private sector. He is wrong again. The National Mutual Life Association of Australia Ltd lost $3300 million as a result of the share market crash and the AMP Society Life Insurance lost $4000 million.

Mr Harrowfield—He did not tell us that!

Mr ROWE—No, he did not, but he personally attacked the Treasurer and ignored the decades of mismanagement and negligence by the former Liberal government.

I shall refer to the performance of the Accident Compensation Commission in this area. Since the introduction of WorkCare in September 1985, the Accident Compensation Commission has received a return on investments of approximately $64 million. The rate of return was 15 per cent. The assumptions underlying the introduction of WorkCare were based on a rate of return on investments of 12 per cent. The government has exceeded the basic assumptions it established for the introduction of WorkCare.

The honourable member for Brighton has criticised the Treasurer about WorkCare. The figures tell the full story. Is it any wonder that the honourable member for Brighton was sacked as the Opposition spokesperson on WorkCare? It is an important issue, and the people of Victoria want to know exactly what the Opposition intends. Honourable members have heard much rhetoric from the Opposition, but, as usual, it is short on policies. The Opposition has announced no policies that have any credibility. When the policies are announced, they will be scrutinised by the public, the media and the government, and that will draw into stark contrast the performance of the government and the Treasurer with the hapless attempt by the honourable member for Brighton and other members of the Opposition.

Mr PESCOTT (Bennettswood)—I wish to grieve about deception in the electorate of Bennettswood. I refer to a pamphlet I have with me, which has on the front page, "Let's control guns before they control us". When opened, the pamphlet refers to the Australian Labor Party policy on gun control. The back of the pamphlet shows pictures of two candidates for State Parliament at the next election, who are described as wanting to have a "safer Victoria". One of the candidates is the Honourable Brian Mier, the honourable member for Waverley Province in the other place, and the other is the ALP candidate for the seat I currently hold, Mr Nigel De Kretser. The pamphlet is authorised by Mr Peter Batchelor for the Australian Labor Party.

The second last page of the pamphlet has a number of headings which refer to the so-called campaign for a safer Victoria. One of the headings states:

I would like to make a donation towards the cost of this campaign.

The donation is payable to "Safer Victoria". What is "Safer Victoria" and why is the Labor Party seeking funds under the heading of "Safer Victoria"?

A constituent of mine telephoned the number on the pamphlet and spoke to Mr De Kretser. The constituent wanted to know where his money would go if he contributed to the campaign. After some questioning he was told that the funds would be sent to the headquarters of the Australian Labor Party in central Melbourne and would later be used for the campaign of Mr De Kretser.

The method of seeking funds is nothing short of a great act of deception. The campaign to which Mr De Kretser was referring was his election campaign, part of which involves the issue of gun control. The government, in its wisdom, made gun control an issue during the Kew by-election. The Unsworth government in New South Wales made gun control an issue for the State election. In this State, the Cain government has decided that gun control is an issue. It is trying to make it an issue and trying to sort out what its policy will be when the election comes.

An election is fought on many issues: it involves employment, because the community wants to know why more people are out of work now than when the Labor Party came to office. People want to know why the health system has been run down; they want to know why law and order has deteriorated. The community is not concerned only about gun control; there is broad dissatisfaction about the law and order policy of the government. The people want to know why the losses on the transport system are increasing. They want to know why they are living in a State that has the highest taxes and charges in the nation.

They are the issues about which people want to know. However, the ALP candidate for the seat of Bennettswood sought funds for a campaign called "Safer Victoria" and he has admitted that the funds for that campaign will be used for his election campaign.

I do not have time to talk about the issue of what needs to be considered to create a safer Victoria. Of course, the roads must be safer, drug use must be controlled and violence of any type in the community must also be controlled. However, leaving aside the argument about how to make Victoria safer, it is a simple fact that the constituents in my electorate are being invited to write a cheque to something called, "Safer Victoria". The pamphlet carries no disclaimer that the money donated will be used for no other purpose than for a campaign called "Safer Victoria". When someone speaks to the candidate in question, he says that the money will be used for his election campaign.

The "Safer Victoria" campaign is not separate; it is being waged as part of an overall campaign. It represents nothing less than obtaining funds by deception. The candidate in Bennettswood is seeking to deceive the electorate. This is scurrilous and dishonest.

If any other interpretation were to be put on that document, it would contain a disclaimer. Parliament does not need a man like that ALP candidate in its midst; it does not need a party that authorises a document like this. Funnily enough, the person who authorised the document was Mr Peter Batchelor. He was reported in the media today as having misled the police and having not given accurate information when they police were inquiring into the Nunawading Province re-election scandal.

My statements are based on a conversation with the ALP candidate. He is on the staff of the Minister for Police and Emergency Services. He is being brought into Parliament to help boost the numbers of that person in the party—we all know a certain job will be up for grabs in due course. I ask: why is it that the Australian Labor Party is ashamed to ask the electorate directly for funds? Why do the perpetrators of the pamphlet not say that the money should be made payable to the Labor Party to wage a campaign to make Victoria safer? That is an option available to them.

They are ashamed to ask people in Bennettswood to contribute funds to the Labor Party; they are ashamed because the Premier recently stated that the ALP is not the flavour of the month. Therefore, they hide behind deception. It is outrageous that the Labor Party

would release a document that seeks not just to deceive with words—that happens every day with this government—and not just to deceive to create an impression but also to deceive to obtain money. The deception is aimed at filling the coffers of the Labor Party in an attempt to retain government. Obviously, it has reached the stage where the ALP must scrape the bottom of the barrel to do so.

I shall be seeking legal advice on whether a formal complaint should be made to the police and to the Ministry of Consumer Affairs. In effect the pamphlet represents not only deceptive advertising but also perpetrates a deception on those who may write cheques for donations of this sort. I shall let Victorians know the extent to which the government will go to try to stay in office. The Premier has tried in this House to brand the Liberal Party as having lots of rich mates who contribute to its coffers. Those rich mates are not as plentiful to the Opposition as they are to the Labor Party. They will not be operating in Bennettswood to help someone who is fighting a marginal seat because the ALP is slowly losing those friends as they come to learn that they are backing a loser.

The issue is that the ALP candidate in the Bennettswood electorate has sought money from people by deception and I condemn him for doing so and I condemn the party he belongs to for allowing that to happen.

Mr J. F. McGRATH (Warrnambool)—In my contribution to the grievance debate I shall follow the line taken by the National Party spokesman on transport, the honourable member for Lowan, who grieved about road funding. I shall deal with the impact that is having on the electorate of Warrnambool, in western Victoria, and throughout Victoria generally.

Since the end of the second world war a program has been established to develop the State road network to a high standard. One of the main reasons behind that development was that the government of the day recognised the value of agriculture to the State and to the nation. In those days agriculture represented a tremendous boost to the country's exports. For it to continue to do so, governments recognised that the road network would have to be of high standard so that products such as timber and grain could be transported efficiently from country areas to the various ports. This was necessary for Australia to remain competitive and to gain its fair share of the international market.

Over the years, the nation's dependence on agriculture has not waned much; we still depend heavily on the agricultural sector. In recent years, the technology in this industry has significantly changed and the result is that many people have moved away from country areas to the city. However, agriculture still plays a vital role in the economies of the State and the nation. Although there has been a drift away from the country to the city, especially by young people in pursuit of education and employment opportunities, in recent years that trend has slightly altered and some people are moving back to country Victoria.

Victoria has approximately 133 000 kilometres of roads and a large precentage of them comes under the responsibility of local government. Over the years local government has played a significant role in maintaining an adequate road network and has funded the reconstruction and maintenance of roads. When the Labor Party has been in office at both Federal and State levels, changes have been made to the role played by local government. It was given responsibility for the delivery of services that were once the responsibility of Federal or State governments. This responsibility has been handed to local government subtly. Today, local government is managing efficiently some of the human services that have grown enormously in recent times. Traditionally, local government was responsible for grassroot issues but slowly it has been drawn away from that responsibility and country Victorians question what effect that is having on local communities, especially when one considers the inadequate road funding.

One major problem affecting the funding of Victoria's roads is the division of responsibility for the funding of roads between Federal and State governments and local government. The Federal government argues that certain roads are the State's responsibility

or vice versa; local government is told that it is responsible for roads. Roads should be classified throughout Australia as being the responsibility of Federal or State governments or local government. The confusion in the allocation of road funding is a major problem for road users, who pay taxes and have charges imposed on them and believe they should receive something in return.

One of the government's catchcries is that the user-pays system should apply. Country road users pay a considerable sum but receive nothing in return. The user-pays system should be re-evaluated. People in country Victoria pay considerable sums through the fuel excise, particularly those in the agricultural industry. More than half of their monthly fuel accounts comprise government charges. Those taxes should be allocated to a road construction program so that country people, who provide 40 per cent of the nation's export market, have reasonable access to their farms, their businesses and their homes. No-one could deny their right to that.

The National Party is often charged with being biased towards country Victoria and, I suppose, because of the amount of time that its members spend debating country issues, there is some basis for that claim. The honourable member for Lowan recognised the importance of the development of the road system in the metropolitan area, and I support his comments in that regard. Members of the National Party do not believe they are biased towards the problems of country Victoria, but they are worried about a road network that is about to disintegrate.

Municipal engineers believe roads should be reconstructed every 20 to 25 years. Under the current road funding program most municipalities face a 60-year cycle of road reconstruction. If that continues many roads will show visible signs of breaking up.

In the electorate that I represent many roads are breaking up. That is an indictment on government. This is an era of new technology, but the road system is reverting to the standards that prevailed before the second world war with many roads returning to a gravel surface such as was originally used in the horse and dray era or for early motor vehicles; this is a disgrace.

Road funding will be an election issue. People are concerned about the significant increases in the price of fuel, particularly those involved in agricultural industries. The current level of funding for roads should be maintained, but in real dollar terms Victorians are losing ground.

Many people do not relate road funding to the maintenance of bridges, but country Victoria has approximately 10 000 bridges, many of which are in a state of disrepair. The number of private cars, commercial vehicles and trucks has increased enormously. More importantly, the weight-carrying capacity of commercial vehicles has increased. Victoria has approximately 2900 wooden bridges on unclassified roads. They are major problems. Many of Victoria's bridges were built in an era when the maximum weight for trucks was 20 tons, but many trucks now have a maximum carrying capacity of 41 tonnes, especially under the special permit system. Transport operators who wish to increase their carrying capacity from 38 tonnes to 41 tonnes have to pay an additional fee of $850. That money does not go back into road funding, but the extra weight of those commercial vehicles is impacting on the condition of the roads. I will be interested to note what happens with that additional revenue in the future.

A Road Construction Authority report of 1986 indicated that at the present rate of replacement Victoria's bridges would take 50 years to replace. If road funding continues at its present level many country roads will close down because the bridges will be unserviceable. Several bridges in south-western Victoria are unsafe and may soon close.

I have talked about the need for an adequate road network that can support the agricultural industry and people who use those roads to get to their farms or homes; but another major problem is the school bus network. That has important safety implications and is a sensitive issue. It will be a focal point of the road funding campaign. Recently, I

had discussions with bus proprietors who expressed grave concern about the deterioration of road surfaces. They are charged with the safety of school children who travel from various parts of country Victoria to central schools. Bus proprietors propose, on a regular basis, to inspect bus routes, in company with a member of the Road Traffic Authority, and they will refuse to travel on roads that they consider to be unsuitable for bus travel.

It will be interesting to see what the government is prepared to do about the inconvenience to be imposed on young students when they find themselves having to ride a bicycle or be driven another 6, 8 or 10 kilometres around a back road to gain access to a school bus, while their city counterparts can walk to the corner and catch a tram or a bus or walk to a railway station within half a kilometre. Many questions need to be answered about road funding.

Some reflection is necessary on the enormous deterioration of the road system. Discussions should be held about the impact that road funding has on Victoria's road toll. Much is said about drink-driving and about speed on the roads, yet members of the under-resourced Police Force are told to go onto the roads at holiday weekends. Their leave is cancelled and they are told to make their presence felt, in an attempt to reduce the number of accidents on the road.

While that is commendable, the task would be made easier and more effective if the police were given adequate resources. Therein lies another grievance, as to police resources and the difficulties under which the police operate because of inadequate numbers in Victoria. Nevertheless, that is what happens. The Easter period has just concluded, but very few members of the constabulary would have enjoyed Easter with their families because they were obliged to do something about the road toll. Although one fatality on the road is one too many, the police did the job well.

The impact of unsafe and deteriorating roads on vehicle safety is a problem that must be addressed. The condition of roads is having and will continue to have a significant impact on the road toll.

Many times in the House the Premier and his Ministers have expressed grave concern about the road toll, and have spoken about changes to the ·05 rule, but the government introduced a liquor Bill to make liquor more readily available. That seems to be a contradiction in terms!

Police numbers must be increased so that the police may present a visible presence on the roads. Traffic fines have an impact but there is nothing more impressive than the visible presence of a policeman. If I see a policeman while I am driving I immediately check the speedometer of the car and probably slow down, as an automatic reaction. It is important to have the police on the roads.

The importance of road surfaces should not be underestimated when considering road safety, and the fight to reduce the road toll.

The National Party will make prime targets of these issues at the next election. The enormous deterioration in our road system will become a campaign issue. Country people are paying large fuel bills and high charges and taxes but they are not receiving a fair return when it comes to road funds. They look for nothing more than that. The road network has deteriorated because it is funded only on a 60-year cycle, instead of a 25-year cycle. The problem of road bridges must be addressed. Also, the shortfall in police numbers must be addressed and measures must be undertaken to improve road safety in Victoria.

Dr COGHILL (Werribee)—The parallel which the Opposition is attempting to draw between its own electoral chances and the success of the New South Wales coalition is totally false, ridiculous and a fantasy. The New South Wales coalition won because it was credible, capable and prepared.

Mr Leigh—Mr Speaker, I direct your attention to the state of the House.

A quorum was formed.

Dr COGHILL—In mid-1987, well before the election of 19 March 1988, the New South Wales coalition looked credible, capable and prepared for government. Victoria is now in a position where an election could be called at any time in the next twelve months.

Mr Leigh—Go ahead and do it!

Dr COGHILL—The Victorian Opposition lacks credibility, capacity and a preparedness for government. Time has run out for the Opposition to prepare. The key element to the credibility of the New South Wales coalition was the public perception and approval of its Leader.

While one should not pay too much attention to public opinion polls, it is worth examining the Morgan opinion polls over the past twelve months or so. In the months preceding the New South Wales election the then Leader of the Opposition, Mr Greiner, had a higher approval rating than the then Premier, Mr Unsworth. The February figures showed a 50 per cent rating for Mr Greiner, while Mr Unsworth's rating was 41 per cent.

Compare that with the rating of the Leader of the Opposition in Victoria! Over that same period the best he could do—and in fact the best over approximately the past year—was 20 per cent less than the approval rating of the Premier of Victoria. No other State in Australia has such a large disparity between the public respect, credibility and support for a Leader of the Opposition and a Premier. It is hard to imagine circumstances in which the disparity between the standing of the Leader of the Opposition and that of the Premier could be larger than it is in Victoria.

Approximately six months before his election, Premier Greiner had the support of 51 per cent of voters. In February the Victorian Leader of the Opposition was recorded as having the support of a mere 30 per cent of voters.

It is worth listening to the voice of experience, the Leader of the National Party. In a statement last weekend he agreed that the parallel being drawn between the New South Wales coalition's success and the chances of the Victorian Opposition were false. I quote the opinion of the Leader of the National Party, as reported in the *Age* of 11 April:

> . . . the special factors behind the Liberals victory in New South Wales were not applicable to the same degree in Victoria.

The credibility of the Opposition as an alternative government fails on three crucial measures: firstly, support for the party; secondly, support for its Leader; and, thirdly, the public's strong support for the incumbent Premier and government.

There is one further fundamental difference which distinguishes the credibility of the former New South Wales Greiner Opposition from the Victorian Opposition. The Greiner Opposition was a united, functional, effective coalition of the Liberal and National parties in the New South Wales Parliament. The Victorian Opposition is not a coalition. It is not united and it does not cooperate effectively. The Victorian opposition parties are divided on personal ambitions of frontbench members, on ideology and on policy.

The Leader of the Opposition survives only because his party cannot agree on a successor; his challengers have even less support than he does, and they are unable to get the numbers to replace him; and the Honourable Alan Hunt wants to buy back the Upper House leadership of his party after the next State election. The Leader of the Opposition has even failed to get preselection for candidates he supported in key, safe Liberal seats.

Mr Leigh—Who?

Dr COGHILL—The seat of Balwyn is one example. That matter is already on the public record and I do not need to remind the honourable member for Malvern about it. In the Werribee electorate, the Leader of the Opposition failed to get his candidate preselected. In fact, he has not had any Liberal candidate approved. The position is the same in Templestowe Province, where Mr Bruce Skeggs will be a candidate at the next State election. I have nothing against him, but he hardly rates as a significant contributor to the last Liberal government in Victoria.

The National Party is desperate to become part of a coalition. It is so desperate that——

Mr Ross-Edwards—Mr Speaker, I direct to your attention the state of the House.

A quorum was formed.

Dr COGHILL—On 29 April the Leader of the National Party will celebrate 21 years of failure as a member of Parliament.

The Liberal Party's alternative to a coalition is to swallow the National Party in an amalgamation. The reality is that, in contrast to the position in New South Wales, the Liberal and National parties in Victoria are at each other's throats in several electorates in which National Party candidates could defeat sitting Liberal members. There is no seat the National Party can win from the Labor government. Its only hope of gaining extra seats is to defeat the Liberals.

In New South Wales there was a good workable relationship between the coalition parties. In Victoria the opposition parties have no agreement not to fight each other for seats, which would be the sign of a real coalition working agreement.

As to the personal ambitions of members of the Opposition frontbench, I point out that both the Deputy Leader of the Opposition and the Leader of the National Party want to be Deputy Leader of a coalition government. Both have said so in the current sittings of Parliament, and that is another reason why there is not a good working relationship. The Liberal and National parties have repeatedly put different policy positions, negotiated differently and voted differently on legislation in this and the other place. On guns, as on other issues such as liquor laws, shop trading hours and even the Health (General Amendment) Bill (No. 2), there are irreconcilable differences which prevent them from coming together in a workable coalition.

On the issue of guns, which is probably the most topical example, the National Party adopted a hard-line, ideological opposition to any control over firearms ownership. It embraced the extreme right-wing position shared with bedfellows such as the Australian League of Rights.

The Liberal Party, in contrast, has now reached agreement with the government on a consensus position which controls the level of firearms ownership in Victoria. Previously the Opposition was being torn between the responsible position put by the Leader of the Opposition in December and the supposed need to accommodate the National Party.

There can be no coalition in Victoria because the Liberal Party and the National Party are at war over Parliamentary seats, over policy and over the personal ambitions of their frontbench members. In contrast, Premier Greiner headed a coalition which was united, effective and credible.

On every count the Victorian Opposition lacks the credibility which was the foundation of Premier Greiner's success. It is not united, the Leader of the Opposition is not respected and the Opposition has not been able to dent the government's popular support. The reasons for this lack of credibility are plain to see—the Opposition lacks capacity and has not prepared policies. Most of its spokesmen are not shadowing the government's Ministers, so they should not even be considered as shadow Ministers.

The Leader of the Opposition has not even the respect of his own party, and the electorate thinks he is a joke. Premier Greiner outshines him on every count. Premier Cain outshines him on all qualities that Victorians regard as important. Even the Deputy Leader of the Opposition and the honourable member for Bennettswood outshine him, but neither can get the numbers.

What about the so-called shadow Cabinet? When the Leader of the Opposition was a member of Cabinet in a Liberal government more than six years ago, there was no proper Cabinet process. Premier Greiner spent his time in opposition developing a Cabinet

process, and sought information from people such as me. The Leader of the Opposition and his colleagues have not had the capacity to do that. If he is relying on the honourable member for Hawthorn, as a former Parliamentary Secretary of the Cabinet, for advice, he should reflect on the abysmal standard of Cabinet administration and support for which he was responsible. The honourable member for Hawthorn did not even give a record of Cabinet decisions to the Ministers responsible for administering those decisions.

The capacities of other Opposition spokesmen is no more impressive. Premier Greiner had an Opposition team which effectively challenged the Unsworth government, eroding its public support. No Victorian Minister is under serious challenge by Opposition spokesmen. The Treasurer runs circles around the honourable member for Brighton. In contrast, when the New South Wales Liberal Party was in opposition, Premier Greiner's shadow Treasurer had an alternative to the Unsworth government's economic policies.

The honourable member for Brighton has been incapable of developing a credible alternative. He has reduced himself to tedious repetition and has succeeded in boring the electorate by talking about taxes and charges, which the Opposition thought were a winner. While the honourable member calls for cuts in government spending, his fellow spokesmen continue to call for increased government spending in their shadow portfolios.

The Deputy Leader of the Opposition has been unable to progress beyond making sporadic attacks on the administration of the transport portfolio. He has not been able to mount a consistent campaign.

In the New South Wales State election campaign, health policy was a major plus for the then Greiner Opposition. However, in Victoria the Opposition spokesman on health, the Honourable Mark Birrell, has been completely outclassed by the Minister for Health. Mr Birrell's attacks on the administration of the health portfolio have been reduced to pitiful bleatings about the compilation of waiting lists. The Victorian community is not interested in his esoteric statements on methodology; it is interested in the improvements to health services that have been made by the government.

The only thing that the honourable member for Bennettswood has been able to achieve is to get things wrong in the tourism area. Honourable members have not heard a single constructive idea from the honourable member for Bennettswood on the portfolio for which he is supposed to be the Opposition spokesman.

The Honourable Alan Hunt in another place is known as the man who the Leader of the Opposition said, "Can never be trusted again by anyone in any walk of life." Premier Greiner was not burdened by a member who could not be trusted.

Mr Leigh—Mr Speaker——

The SPEAKER—Order! Does the honourable member for Malvern seek the attention of the Chair?

Mr Leigh—Yes, Sir. Once again I direct your attention to the state of the House.

A quorum was formed.

Dr COGHILL—The Victorian Opposition is yet to announce its policies in most areas, and those it has announced, such as its policy on education, have gone down like lead balloons. The contrast is that Premier Greiner knew that he needed at least a year to develop policies, to convince opinion leaders to support them and then to sell them to a sceptical electorate. It is too late for the Victorian Opposition now, with less than twelve months until the State election, to start announcing policies. It has not even finished developing and releasing them.

The contrast between the Liberal Party in Victoria and the Liberal Party in New South Wales cannot be greater. Premier Greiner was trusted and respected by the electorate. The Victorian Leader of the Opposition is neither trusted nor respected by the Victorian electorate; that is in contrast to the incumbent Premier and the government.

The New South Wales coalition convinced the electorate that it had the capacity to govern. No-one can be convinced that the Victorian Opposition has the capacity to govern, because it clearly does not have that capacity. Also, one must accept that the New South Wales Labor government had lost public credibility. However, the Victorian Labor government retains high public credibility. The Victorian Opposition lacks the credibility, capability and the preparation on which Nick Greiner relied to win government in New South Wales.

Mr REYNOLDS (Gisborne)—In this grievance debate I raise a matter concerning a number of people in the sporting world and the insurance world. I refer to the inquiry that the Minister for Youth, Sport and Recreation—as he was then known—instituted in May 1982 to examine sports insurance of all descriptions, such as public liability, property loss and damage, workers compensation, personal injury, product liability and money in transit.

A subcommittee was established comprising representatives of the then Department of Youth, Sport and Recreation, the Sports Federation of Victoria and the then Interim Sports Council of Victoria, which is now a properly constituted body known as the State Sports Council. Under the chairmanship of a Ms Yvonne Marriott, the subcommittee made certain recommendations to the department, and it wandered along a gentle course over six years to absolutely nowhere.

I refer specifically to one aspect of sports insurance. On 26 August 1987 an advertisement—of which I have a copy—appeared in the *Australian Financial Review*, which suggested that the Department of Sport and Recreation, as it was subsequently called, invited proposals from interested parties for developing a group public liability insurance plan for community-based sport and recreation organisations. It invited various interested individuals and groups to put together their proposals to develop a feasibility study on how public liability insurance for all sport could be handled.

However, the feasibility study has gone off the rails; in fact, it is so far off the rails that it is probably a major derailment. The bureaucratic octopus has engulfed it in its tentacles, and the study is in such a position that I do not know whether the Minister will be able to resurrect it. I received two documents dated January and February this year, one of which suggested that the feasibility study had been undertaken and was to be implemented. The document contained a message from the Minister for Sport and Recreation, and stated:

> Access to appropriate and affordable public liability insurance is necessary for the community based organisations to be able to guarantee that they can operate in an increasingly litigious society.

I continue to quote accurately from the document, which was signed by the Minister:

> My department has appointed Command Insurance Brokers to do the development work which will lead to the establishment of a group public liability insurance plan for sport and recreation groups.

Those were the Minister's words. Accompanying that message from the Minister that was sent to all sporting organisations was a survey form that they were requested to fill in about what insurance they had and what they required.

In addition, there was also a bulletin—it could not be regarded as a letter—from Command Insurance Brokers Pty Ltd, which is a Sydney firm and which, I understand to this very day, still does not have offices in Victoria. The bulletin suggested that, at the request of the Department of Sport and Recreation, during the preceding six months the firm had advanced the development of the program. Therefore, it was suggesting that the program was beyond the development stage. The bulletin detailed the need for such a scheme and also said: "Our appointment relates to our proven ability to deliver in recent years similar programs to the travel industry and the Australian Little Athletics Union."

Under the heading "Timetable", the bulletin stated:

> Our appointment calls for the program to commence in May 1988.

In other words, by implication, the firm of brokers was suggesting that it had been appointed to implement a public liability insurance scheme in Victoria.

The sitting was suspended at 1 *p.m. until* 2.4 *p.m.*

Mr REYNOLDS—Prior to the suspension of the sitting, I was grieving about the establishment of a proposed compulsory public liability insurance scheme for sporting organisations which I believe has been derailed. I hope it has not been irretrievably derailed and that it can be put back on the tracks and out of the clutches of the bureaucratic octopus that caused its derailment.

I reiterate that the scheme appears to have been strangled by bureaucracy. I base those comments on documents with which I have been presented and which prove that an organisation called Command Insurance Brokers Pty Ltd has been given permission to implement this scheme; it is a fait accompli.

The sporting bodies and other bodies, including insurance companies, which have contacted me are concerned that the government is planning to develop a scheme similar to WorkCare for sporting organisations. They are concerned that the government may even establish its own body to implement a sports injury and public liability insurance scheme, which all clubs may not be able to afford and which may not be in the best interests of sporting institutions in general. Many sporting organisations which I have contacted have for many years had in place sports injury and public liability insurance schemes, which have been operated at an affordable cost and with which they are extremely satisfied.

Will the Minister advise the House what tender process was implemented by the Department of Sport and Recreation in its appointment of Command Insurance Brokers Pty Ltd, which appears to have the power to implement the scheme from May 1988? What companies tendered for that scheme; were all companies given the opportunity to tender; and what criteria were used in selecting the successful tenderer? Did Command Insurance Brokers Pty Ltd meet the criteria set out?

I have a suspicion, as do the sporting organisations and many other people, that a proper tendering process was not undertaken. Perhaps we should go back one step further to 26 August 1987 when proposals were invited from firms and groups willing to develop a public liability insurance plan. How many responses to that invitation were received by the department? What selection criteria were used to choose the organisation that was to undertake the development of a public liability insurance plan? I hope every organisation had a fair opportunity, but I doubt it!

Is the Minister aware that five years ago one insurance organisation offered to provide a free sports injury public liability scheme free for up to $500 000 to all sporting organisations that had sports injury insurance in Victoria? If that is so, why was that generous offer not taken up?

It appears that Command Insurance Brokers Pty Ltd has received preferred treatment. Another incident that comes to mind is the fact that an insurance company called Insu-Re Services Pty Ltd tendered in August and received official notification from the department in a letter dated 13 November 1987 that it was not successful in its tender.

On 15 October, prior to receiving that letter, a senior person from Insu-Re Services Pty Ltd was telephoned by a departmental officer who suggested that possibly because of its unfamiliarity with sport in Victoria, the company was precluded from being the successful tenderer. Insu-Re Services Pty Ltd may be a Sydney company and it may not be familiar with Victorian sport but, at this stage, Command Insurance Brokers Pty Ltd, which is a Sydney-based company, does not have an office in Melbourne. How can that company be familiar with Victorian sport?

If we are to have a central scheme to provide sports injury and public liability insurance for sporting organisations it should be set up fairly. It must be completely above board.

Members of this House, the sporting organizations of Victoria, the insurance industry of Victoria and, above all, the public of Victoria need to know that the system of choosing and implementing the insurance scheme is fair and above board. At the moment that does not appear to be the case.

As the Minister for Sport and Recreation would know, an investigation into a compulsory sports injury insurance program is being conducted, and I understand the report is ready for consideration by the Minister. Will the Minister assure the House that, as well as having public liability insurance, there will be a sports injury insurance program that will go to tender? The criteria used to select the successful tenderer and who will administer the scheme should be open to scrutiny. That process does not appear to be being followed, which is of concern to me.

I now turn to a matter raised in the press, the Road Traffic Authority's ·05 campaign sponsorship being given to two Victorian Football League clubs—Footscray and Richmond. The promotion of the ·05 campaign is laudable. Anything that reduces the road toll is to be commended.

Can the Minister for Transport advice the House whether tenders were called for the ·05 sponsorship? Did every league football club have the opportunity of tendering? I know they did not, but I want to hear the Minister's answers to my questions. As I understand it, three football clubs were involved—Richmond, Footscray and another whose name I was not able to ascertain. It was a selective tendering system completely out of line with reasonable business practices. Was Footscray offered the sponsorship, and when the Ministry of Transport found out about it did it say, "Hang on, you can't give this sponsorship to one football club, you must call tenders"?

The scenario should be that if sponsorship is offered under the ·05 promotion, all fourteen league football clubs should be able to take part in the tendering process, and the successful club should get the tender. The Hawthorn and Carlton clubs receive the most exposure on television, but I know they were not asked. When tenders were called was the Richmond Football Club the better club? I do not know! Was the matter pushed in Cabinet by a supporter of the Footscray Football Club? Did Cabinet say that it would not give the tender to the Richmond Football Club but instead give it to the Footscray Football Club because that appeases someone in Cabinet?

The decision was politically inspired. An advertising agent could not recommend that such a campaign should be conducted in that way. It would be against all normal advertising standards and practices. I have nothing against the Richmond and Footscray football clubs, and I hope they continue to prosper, but if there is to be government sponsorship of VFL teams, that sponsorship must be fair and equitable. This has created a dangerous precedent because all clubs were not given the opportunity to tender: it opens a Pandora's box.

If any league football team gets into difficulty, can it call on government departments for government sponsorship to help bail it out of its troubles? I do not think anybody wants to see that happen. There is nothing wrong with government departments sponsoring sport. League football is a popular sport but, if sponsorship is to be given to football clubs, that sponsorship must be fair and above board, it cannot be selective and restricted to the few clubs that someone in Cabinet wants to push.

Mr HARROWFIELD (Mitcham)—The matter on which I grieve today follows the contribution made by the honourable members for Essendon and Werribee. We have in Victoria an Opposition that aspires to government, yet has not been prepared to do its homework and is not prepared to go about the difficult but necessary business of policy development. It is a matter about which all Victorians should feel aggrieved, in that there is no Liberal Party economic policy; there is only confusion as to what its economic policy should be. It is a confusion that is paralleled by the Opposition's Federal colleagues who, after many years in opposition, are still not able to develop a taxation policy on which

they all agree. Those symptoms appear in Victoria. The Liberal Party in Victoria does not have an economic policy.

No better example of that could be given than the contribution from the honourable member for Brighton this morning. His contribution was one of the most negative and miserable performances that honourable members in this House can recall for a long time. In his usual selective and nitpicking way, he was able to present his distorted view of the world, yet he was not prepared to come clean on the facts and the reality of the economic position of this State.

It is worth recording again some of the matters that the honourable member for Brighton did not say this morning when he launched into his scurrilous and personal attack on the Treasurer. There were a number of matters about which he was not prepared to be frank and open. He latched on to some comments of the Auditor-General in relation to the share market losses suffered by public authorities as a result of the share market collapse in October last year. Even then, he was less than frank with the people of Victoria in quoting from the Auditor-General's report.

Paragraph 2.1.5 at page 9 of the Auditor-General's report tabled in the House yesterday states that there was:

> . . . a decline in value of some $900 million or 16 per cent of the entities' total investment holdings over one month."

That is the headline grabber that the honourable member for Brighton has been rushing around in a frenzy about over the past 24 hours. He could have quoted the next sentence:

> However, when viewed over the longer term, a more moderate impact can be expected.

Over the six-month period from June to December last year, far from there being a loss of $900 million, there was a reduction in equity value of $243 million. Over a three-year period—and the honourable member for Brighton did not tell the House about this—to the end of June 1987, there was an estimated return on public authority investment of $1·996 billion.That is a positive return to this State.

Mr Williams—Yes, while kids are starving in the western suburbs!

Mr HARROWFIELD—That return reflects the sensible investment policies of public authorities and the government in this State. The honourable member for Doncaster should realise that the importance of such a return is that it protects the return for superannuation funds for hundreds of thousands of superannuants in this State. It provides an alternative source of revenue to the government rather than it having to resort to other revenue measures such as taxation.

The honourable member for Brighton did not tell the House this morning that over the three-year period to June 1987 there has been an estimated positive return of $1·996 billion as a result of the investment policies of the public sector in this State. That fact is recorded in the Auditor-General's report but, again, the selective honourable member for Brighton has not mentioned that point.

For the three-and-a-half year period to the end of December last year another positive return resulted in $1·753 billion. Of course, the honourable member has focused on a one-month period immediately following the share market collapse and has, in his usual shonky way, produced figures and statistics that support his selective arguments.

Honourable members with any understanding of investment policy will realise that it is good investment practice to develop a well-balanced portfolio and one that emphasises the long-term returns that match the long-term liabilities of funds such as superannuation funds in this State. That point has been recognised by the government, particularly in response to work that was done on a bipartisan basis by the Economic and Budget Review Committee in the first term of the government, and I shall refer to that at a later stage.

It is worth recalling that in his frenzy to abuse and attack the Treasurer today, the shadow Treasurer, the honourable member for Brighton, did not go through the Auditor-General's report in a particularly honest way. He did not come clean with all the facts. For example, on page 15 of that report the Auditor-General makes this comment:

> The long-term experience has proven that, although more subject to cyclical fluctuation, equity investment has historically outperformed investment in fixed-interest securities.

It is worth emphasising that point made by the Auditor-General. It is important to examine the long-term performance of equity investments. Page 14 of the Auditor-General's report, again not referred to by the honourable member, states, regarding the Accident Compensation Commission, that for the year ended June 30, 1987 there was a 34 per cent positive rate of return on the investments. For the State Electricity Commission Superannuation Fund there was a positive return of 28·4 per cent per annum.

Those facts were not brought out by the honourable member for Brighton in his shonky contribution. On page 13 of his report the Auditor-General makes the fundamental comment:

> Over recent years these entities have generally recorded excellent investment performances which have been substantially assisted through the holding of equity investments.

The word "entities" refers to the various public authorities in Victoria. This is an endorsement of the policies of the government in encouraging a broader range of investment opportunities for public authorities. The passages show that throughout the chapter of the Auditor-General's report which the honourable member for Brighton has chosen to highlight, on three occasions there is specific endorsement of the investment practices of public authorities in this State; but not a word or a whisper is said of these endorsements by the honourable member for Brighton.

It is worth examining the historical performance of equity investment in public authorities to see why it is that, notwithstanding the short-term fluctuations that can occur as a result of share market movements, in the long term large and real returns can be made by including equity investments in the investment portfolios of public authorities. During question time this morning, the Treasurer referred to the *Superfunds* journal, which highlighted the remarkably higher rate of return achieved on equity investment compared with other forms of investment. Over the past 85 years, on an historical basis, on average, the annual rate of return on equity investments is more than 13 per cent compared with an average return of 4·5 per cent for government securities.

None of these facts has been brought out by the honourable member for Brighton in his attack on public sector investment in this State. In any sensible and well-balanced portfolio, equity investments, while subject to fluctuation, in a long-term perspective will give one a much better rate of return than other forms of investment, and that is the point that is lost on the economic pigmies opposite.

The performance of the Victorian public sector has been commendable when contrasted with other indexes of investment performance in the Australian economy. For example, for the three and a half years to December of last year the annual average rate of return on Commonwealth Bank bonds was 14·8 per cent and that contrasted with an average annual rate of return on public sector funds of 18·5 per cent.

Therefore, when one examines the allegations of the honourable member for Brighton, it transpires that in his amateurish way, his arguments do not stand up to scrutiny. He has been caught out providing shonky and incorrect information to the people of Victoria.

The reality is that the performance of public sector funds in Victoria is comparable to the performance of other investment funds in the private sector of this State. Again, the impression was sought to be created by the honourable member for Brighton that, in some way, the private sector had not been subjected to the sorts of setbacks that followed the share market collapse in October. He was trying to paint the picture that somehow the Victorian public sector, because it had invested in shares, had suffered a loss that did not

occur elsewhere in the economy. I should point out that it was reported that, following the collapse of the share market, it was estimated that the National Mutual Life Association of Australasia Ltd lost more than $3 billion in a reduction in share market values. Further, it is estimated that the Australian Mutual Provident Society lost approximately $4 billion.

So, the reality is that if one intends to invest in shares—as one should if one wants a balanced portfolio—there will be fluctuations and what happened in the public sector is no different from what was suffered by every other organisation in the public or private sector, but not a word about that was said by the honourable member for Brighton.

Mr Reynolds—We are talking about public money!

Mr HARROWFIELD—We are also talking about positive returns to the public for their investment.

Mr Reynolds—It's all going down the tube!

Mr HARROWFIELD—Once again, the honourable member for Gisborne ought to stick to sport and recreation and tennis centre criticisms because he has no knowledge of economic issues. He should listen more to the honourable member for Doncaster, who at least has had some economic training.

Mr Leigh—Mr Deputy Speaker, once again I direct your attention to the state of the House. The debate is so interesting!

A quorum was formed.

Mr HARROWFIELD—The honourable member for Malvern is an absolute disgrace to this House. He demeans debate and sensible discussion by his constant disruption of the operation of the House and his constant larrikinism.

It is worth recording the fact that when public sector superannuation was reviewed by the Economic and Budget Review Committee in 1983–84, fund after fund came before the committee complaining that their investment performances were being severely hamstrung by the severely restricted investment powers available to them. Time and again fund managers and fund members provided evidence to the committee that superannuation funds ought to have the right to invest in property and equities. A unanimous position was agreed upon by the members of the all-party Economic and Budget Review Committee. The report of the committee, which included the honourable member for Balwyn, stated:

> The committee is satisfied that the performance of the major funds has suffered significantly from the lack of active investment management, as a result government and other public sector employers must meet higher costs for superannuation than they should.

As a result of the unanimous recommendations of the all-party committee, the portfolio managers of superannuation funds and other public authority funds were granted a wider range of investment powers. As a result—and this fact was acknowledged by the Auditor-General in his report—there has been a significantly enhanced investment performance and a significantly improved rate of return to the portfolios of superannuation funds.

Despite the shonky figures that the honourable member for Brighton likes to focus upon all the time, the reality is that there has been a major, significant, and positive return to the public authorities of this State over the past three years—and that includes a positive return for the equity investments of those authorities.

As I said at the outset, it is a pity that the Opposition is not prepared to address the fundamental issue of policy development; it is not prepared to present its policies to the people of Victoria. The Opposition relies instead on the honourable member for Brighton, who comes into this place time and again quoting selective statistics—and often inventing his own to suit his arguments distorting issues, and generally putting negative points of view.

Honourable members heard the same gentleman oppose the aluminium smelter and other investments by the public sector, including investments in bodies such as AMRAD, the Australian Medical Research and Development Corporation, with which the government is involved. That entrepreneurial venture will produce substantial returns to the people of Victoria.

The Opposition does not go about the business of developing policies. It will not put a rational and sensible point of view. Instead its members carp, criticise, and select statistics that suit their own short-term, narrow, blinkered arguments and ignore the real issues that face the people of this State. After the performance of the honourable member for Brighton this morning, honourable members will all be glad that the Leader of the Opposition does not rely on him for his economic advice. By his own admission, the honourable member for Brighton is not prepared to face up to the policy issues on which the Opposition should be focusing.

Rather than quote one line from the Auditor-General's report, the honourable member for Brighton ought to present a more balanced view. He should start by reading the report. The government adopted recommendations of the all-party committee of which the honourable member for Balwyn was a member. Although the honourable member for Balwyn agreed with those recommendations, he now wants to hide behind the honourable member for Brighton, who is prepared to trump up figures and paint a false picture about investment performance.

Because the investment powers of public authorities have been broadened, the government has significantly enhanced the rate of return not only to public authorities generally but also to superannuation funds and their members. It is about time the Opposition faced up to the need to present a positive and constructive economic policy.

Mr PERRIN (Bulleen)—Unlike the negative speech just delivered by the honourable member for Mitcham, I grieve about the gross waste, mismanagement and political patronage of the government in conjunction with its mates in the trade union movement.

The case I shall put before the House today represents a significant waste of taxpayers' money and illustrates how the government has paid off its mates in the highest levels of the trade union movement in this State and around the country. The wastewatch committee of the Opposition has been putting together a case about where taxpayers funds are going. Under the Freedom of Information Act, quite legally and properly, I received papers concerning the use of taxpayers' funds at the highest levels of administration and the highest levels of the trade union movement in the State.

It has become obvious to me that taxpayers' funds have been used to fund the trade union movement when, clearly, trade union funds should have been used. A large number of grants totalling $168 500 have been made to the Australian Council of Trade Unions and the Victorian Trades Hall Council to fund a campaign that should have been funded by union funds. The grants to the ACTU commenced in 1985 and are continuing. The Minister for Labour, in conjunction with Mr Bill Kelty, the Secretary of the ACTU and Mr Marsh, the Secretary of the Victorian Trades Hall Council—I believe there was a pay-off with that job—have organised grants to the union movement of in excess of $168 500.

In June 1985 the ACTU applied to the Department of Labour for a grant of $168 500 to fund an equal pay case before the Australian Conciliation and Arbitration Commission. Clearly that case should have been funded by union rather than taxpayers' funds. However, the union movement put its hand out for $168 500. The grant of $78 500 was described as an equal pay grant and the ACTU asked that $90 000 be made available for consultancies. That makes up the figure of $168 500.

In June 1985, the Department of Labour recommended that the grants be approved. In July 1985, only $78 500 of the total grant approved by the Minister for Labour was paid to the Australian Council of Trade Unions. The extra $90 000 was put on hold. The

Minister said, "Come back to me when you want a bit more money and I will pay you taxpayers' funds."

Mr Leigh—When it runs out.

Mr PERRIN—That is right, "Come back when it runs out." In August 1985, Mr Marsh of the Victorian Trades Hall Council and Mr Kelty, Secretary of the ACTU, accepted a grant of taxpayers' money and the promise of $90 000. After the agreement between the Minister for Labour and the two leading lights of the trade union movement was concluded, payment was made in October 1985 of the first 50 per cent, amounting to $39 250, to the ACTU to fund what clearly should not have been funded by taxpayers.

There was a drought between October 1985 and June 1986. In June 1986, Mr Kelty wrote to the Minister for Labour and said, "I am very sorry; we cannot start this equal pay case for a while." Mr Kelty said that the case could not be completed until March 1987. He did not offer to repay the $39 250 of taxpayers' money.

In that same month, June 1986, there was agreement to make the payment of the balance of $39 250. Some $78 500 of taxpayers' money was to be paid to the trade union movement although there would be no work started for that money for a little less than two years. In March 1987, Mr Kelty and Mr Marsh—who is now a Deputy President of the Industrial Relations Commission of Victoria—reported to the Minister for Labour that they wanted further funding past March 1987 by way of another grant.

In the following month, April 1987, the ACTU and the VTHC submitted their figures showing that they could not spend $27 613 of the first grant for the original project and requested $6245 to pay for advertising. They asked that they be allowed to offset the $6245 against the $27 613. That request was acceded to by the Department of Labour and the trade union movement accepted the grant. In April 1987, the Department of Labour wrote to Mr Kelty informing him that his request to spend the $6245 of taxpayers' money on pushing trade union propoganda had been acceded to. By May 1987, audited statements had been received from the ACTU. They showed that the actual expenditure of the grants money was $55 818, which represented a surplus of $22 682.

In August 1987, the ACTU repaid $22 681.86 to the Department of Labour. The grant was concluded. The trade union movement was able to use the money, probably investing in the short-term money market and obtaining 15 per cent interest on it, and pocket the interest gained on taxpayers' money for a grant that should never have been made to the movement. Mr Kelty and Mr Marsh have been prepared to put out their hands for taxpayers' money.

In April 1987, the Department of Labour received another request from Messrs Marsh and Kelty for $52 850 to continue the work required to mount an equal pay case past April 1987. In that same month the Minister for Labour wrote to Mr Kelty and agreed to grant $52 850. Messrs Kelty and Marsh were pleased to receive that grant. The first instalment of $26 425 arrived in the mail in that month, April 1987.

In January 1988 the second instalment was paid to Messrs Kelty and Marsh—a cheque for $13 212.50 was shot over to them. There is another instalment yet to come, of some $13 000-odd of taxpayers' money.

Correspondence received under the Freedom of Information Act will indicate how cosy the arrangement between the Minister for Labour and Messrs Kelty and Marsh has been. It has been a matter of the trade union movement in Victoria just ringing the Minister for Labour or writing him a letter and saying, "We want some money", and in it comes. I quote from a letter written on this date last year by the Minister for Labour to Mr Kelty, Secretary of the ACTU:

Dear Bill,

I am pleased to advise that the joint submission from your council and the VTHC for the Equal Pay for Women Project has been approved, with a grant of $52 850 to cover the costs of the project. This is conditional

on receipt by the Department of Labour of a satisfactory audited statement of expenditure on the original grant of $78 500, approved in July 1985.

The grant will be subject to the normal conditions (attached) of this department. An initial instalment of $26 425 will be paid on receipt of your formal acceptance of the grant, and two further instalments of $13 212.50 will be paid, one at six months and one at nine months.

As noted in the grant conditions, we would expect the research assistant employed to maintain contact with the Women's Employment Strategy Branch of this department at regular intervals to discuss issues she is involved in, and her ongoing work plan.

The final paragraph refers to the signing of various forms. The letter reflects a cosy arrangement between the top echelons of the ACTU and the government.

The story is not yet finished; the final grant payment has yet to be made. Most of the correspondence from the trade union movement has been signed jointly by Mr W. J. Kelty, Secretary of the ACTU, and Mr P. Marsh, Secretary of the Victorian Trades Hall Council and now a Deputy President of the Industrial Relations Commission of Victoria.

These are the sorts of grants that have been made. Taxpayers' money should not have been paid to the trade union movement. If the unions want to raise an equal pay case, they should do so with their union subscriptions. Representatives of the trade union movement should not have their hands in the pockets of the taxpayers of Victoria. The total payout has been $108 668.

The picture is worse in that the trade union movement has constantly received grants from both this government and the Federal government. I refer to an amount of $700 000-odd from bicentennial funds which was granted by the Federal government for the conduct of an international trade union congress in Melbourne last month. The absurdity of that is that taxpayers are running congresses for the trade union movement. During that congress, on 14 March, a concert was presented; it was attended by only trade union officials and, presumably, their spouses and appropriate parties. The concert cost $25 000 to stage. It appears that taxpayers' pockets are bottomless when it comes to grants from the Cain Labour government or from the Federal government to the trade union movement.

The story is worse than that, as examples have been given to the wastewatch committee of the Liberal Party which indicate that grants totalling $463 000 have gone from the Department of Labour to the Building Workers Industrial Union of Australia. The money was given to fund the union's election campaign.

The honourable member for Hawthorn takes the same action as I do. He makes a request of the Department of Labour under the Freedom of Information Act to discover the ways in which the trade union movement sticks its hands into the pockets of taxpayers. The money that the government gave to the Building Workers Industrial Union of Australia was used to fund that union's election campaign. The amount of $463 000 was provided by the government to fund an election battle between the pro-Moscow and pro-Peking factions of the union. Taxpayers' money should not be used in that way.

Grants made by the government to the trade union movement are often paid long before the money needs to be spent. The trade union movement has the use of that money in the interim; and no doubt it invests it on the short-term money market, at the taxpayer's expense.

A grant of approximately $17 000 was made to the BWIU to enable it to commission the painting of a mural. The mural depicts naked women, Indians and dragons. The honourable member for Hawthorn has handed me a copy of the mural. It is a delight to see the sorts of things on which taxpayers' money is spent! Many elderly people are carted from one hospital to another in ambulances because hospital beds are not available for them. There are long waiting lists for entry into nursing homes and hospitals. Yet the government is able to find the money to enable the Building Workers Industrial Union to commission the painting of a mural.

Such funding is part of a grand plan of the government. In 1982 the Victorian Teachers Union pumped $105 000 into the Labor Party's campaign for office. That money was returned to the Victorian Teachers Union with interest when the Labor Party achieved office, because the government, through the Department of Labour, made a grant of $108 000 to the union for the publication of its affirmative action handbook.

The trade union movement has a cosy relationship with the government—and particularly with the Minister for Labour. When the Minister receives a request from the trade union movement he automatically grants the request and taxpayers foot the bill. The trade union movement should fund such undertakings; taxpayers should not have to pay. The Minister for Labour seems to have a bottomless pocket for schemes such as the painting of the mural while many elderly and sick people are not provided with the services they require. In my electorate, disabled children are not given the integration assistance they need to find places in schools. The government has the wrong priorities!

The government should cease all grants to the trade union movement, grants which are paid for by taxpayers. Union members pay membership fees, and the trade union movement should use those fees to fund its own projects. Few business organisations in the State are as rich as the trade union movement. The payment of union subscription fees is a tax deductible item. There is no reason why one cent of taxpayers' money should be given to the trade union movement.

Having raised the matter of the grant of $168 000 to the trade union movement, I hope the government will not make the final payment of $13 212. Indeed, the money that has been granted should be refunded by the trade union movement; and the government should use that money to finance the provision of social services in Victoria.

Mrs GLEESON (Thomastown)—I want to direct to the attention of honourable members the shortcomings contained in a document released by the Liberal Party entitled "Raising Standards—Education and Training Policy".

Honourable members should note that a political party that is represented in Parliament is unable to produce a document that is of any benefit to the people of Victoria. The document on education and training policy does not do the Liberal Party proud. It harks back to the policies of the Liberal Party 30 or 40 years ago. The illiteracy of those who drafted the document has been commented upon in the press. The document is full of grammatical errors, which have been noted in the press.

Mr Leigh interjected.

The ACTING SPEAKER (Mr Kirkwood)—Order! The honourable member for Malvern is out of his place and disorderly.

Mrs GLEESON—The grammatical mistakes contained in the document have also been commented upon by honourable members.

The few good points contained in the document are based on government policy. The second paragraph on page 1 of the document explicitly states that the government is under the influence of the trade union movement. Those who prepared the document are ignorant of the organisation of the Labor Party and the way in which its policies are formulated.

Government policy on education is formulated through a tripartite agreement between the government, representatives of the teacher unions and industry representatives. That process operates not only at a national level but also at a State level. The tripartite agreement operates successfully. The results of the agreement can be seen in the establishment of various foundations, particularly the metals industry foundation, the hospitality industry foundation, and the building and construction industry foundation. Once those foundations are operating successfully, more foundations will be formed in conjunction with the Ministry of Education.

Representatives of government, the teacher unions and industry make recommendations for vocational training that are relevant to both employers and employees in industry.

The tripartite working parties are operating successfully. Their recommendations enable the government to keep up with the needs of industry and it is a pity that such issues are not addressed in a document released in the 1980s by the Liberal Party.

Members of the Liberal Party remain way back in the dark ages and their own illiteracy reflects the lack of education received under their own system. Page 3 of the Liberal policy document shows that they do not have one ounce of understanding. They seem to be unaware that this State has had operating a successful youth guarantee scheme that has been responsible for youth unemployment levels being the lowest in the nation for the 59th month in succession; that is, five years of the lowest unemployment rate in Australia. Page 3 of the document states:

> . . . an unacceptably high proportion of students fail to achieve the standard necessary for further education, employment or effective social participation.

That is just what the youth guarantee policy of the government did; it provided for full-time study, full-time work or a combination of part-time study and part-time work for young people in the 15 to 19-year-old group. The success of that policy has made Victoria the leading State in this nation with the lowest unemployment rate for young people.

Page 18 of the document states:

> Dedicated students who want to work their way up to higher level qualifications are blocked by a lack of opportunity or inadequate recognition of the value of previous study and experience . . .

The Liberal Party has had its head in the sand when formulating its policy. It is totally unaware of the advantages of the cross-accreditation program being developed in this State. That program provides for previous study and work experience to be taken into account when a student transfers from one section of the education system to another. That enables a student to achieve a broad education and skills base to cope with the changing climate in the industry of the 1980s. It allows for a more flexible skilled work force.

It is recognised that the government is way ahead of other political parties in developing policies that reflect the growth in industry, the needs of industry and the record increases in business investment and exports which Victoria has achieved right across the board. The few Liberal Party members present in the House should hang their heads in shame at the sight of the Liberal Party policy document.

The next item in the document states:

> Thousands of Victorian students are turned away from our universities and CAEs because Labor both refuses to fund the necessary places and refuses to allow students who don't make the quota create additional places by paying fees.

That suggestion is laughable. In one of this morning's papers the Liberal Party was reported as supporting the introduction of university fees. It is supporting the privatisation of education whereas the Cain government has come to the fore and provided an additional 2700 tertiary places for students in the post-secondary sector at a cost of $15 million. When that was done, the Liberal Party members who sit opposite—which is their rightful place—took the government to task for spending State money on education for young people and people wishing to return to the work force to broaden their skills.

Again the Liberal Party policy on education shows that the Opposition does not know what is happening with education in this State. The statements contained in that document show that Liberal Party members are illiterate when it comes to education policies. That is a pity because the Liberal Party should be providing a viable alternative view. It is incapable of doing that because, firstly, its members are keeping their heads in the sand and, secondly, they want to return to the morality and disciplines of the 1920s and 1930s when children were hamstrung by narrow education and could not broaden their skills to allow them flexibility in the work force or the chance to improve their career paths.

Page 17 of the document, on post-compulsory education and training, states:

OECD studies show there are fewer better predictors of economic success than a high level of 16–19-year-olds in full-time education or training and a high percentage of adults in post-compulsory education.

Again Liberal members have had their heads buried in the sand. When the government took office in 1982 the retention rate at schools was 37 or 38 per cent. This year, after six years of Labor government, that retention rate is something like 61 per cent.

Mr Leigh interjected.

Mrs GLEESON—In reply to the honourable member's interjection, Victoria has had the lowest unemployment rate in the nation for 59 months. That interjection demonstrates the illiteracy and lack of knowledge of the honourable member for Malvern, whose only contribution to this House is his constant disruption to coherent debate. This morning he displayed a high level of ignorance by saying that the government should——

Mr Williams—Mr Acting Speaker, I direct your attention to the state of the House.

The ACTING SPEAKER (Mr Kirkwood)—Order! There is no quorum present. Ring the bells.

A quorum was formed.

The SPEAKER—Order! A quorum is now present but, before I call the honourable member for Thomastown, I direct the attention of the House to what has been said at previous times about the continuous calling for quorums:

. . . a member having sought to have the Bells rung again, the Chairman refused to ring the Bells ruling that it was entirely within the Chair's discretion whether he did so.

That refers to a decision made by a Chairman Coyle, reported in *Hansard* Vol. 211, pages 1125 to 1127 in 1941. A second reference is made by Speaker Knox in 1942. Although a fair passage of time has elapsed between those events and today, I intend in the future, if there are continuous disruptions of the proceedings by calling quorums for no reason other than an interjection suggests that somebody is attacking somebody else—which is, in my view, a peurile attitude to take—to exercise my discretion on the matter of quorums and I shall refuse to ring the bells to summon members.

Mr WILLIAMS (Doncaster)—Mr Speaker, I wish to make a personal explanation.

The SPEAKER—Order! No. The honourable member for Doncaster cannot ask to make a personal explanation in that manner. He knows the rules; if he wants to make a personal explanation he must see me in chambers and state the issue about which he wants to make a personal explanation.

Mrs GLEESON (Thomastown)—I congratulate you, Mr Speaker, on your reasonable ruling. As I was saying before the quorum bells were rung, members of the Liberal Party should listen and they might learn what is going on in this State. They should be ashamed of themselves for producing such a policy on education and training. The government welcomes the document because it provides another opportunity for it to run over the Opposition. The few good things in the policy are Labor Party policies and programs.

The retention rate of students to Year 12 has increased from 39 per cent to 61 per cent, and that is an outstanding achievement. The Labor government has saved the people of this State from the problems they faced by implementing relevant policies that address the well-being of people with regard to both their social and economic lives.

I shall now refer to apprenticeships and the situation under the former Liberal government. The Opposition has not learned anything from the dark times before 1982 when the Leader of the Labor Party, John Cain, led the party to victory. Prior to 1982, for a three-year period there were a lot fewer than 15 000 apprenticeship places. Under the Labor government, the number of places available has increased every year. In 1984 the intake was 14 513, which was a record. In 1985 the intake was 15 354, again a record. This year 45 972 people are involved in apprenticeships, and that is a clear sign of business and

industry confidence in the Victorian economy. It is another demonstration of the government working in a tripartite agreement with the union movement and industry. They have demonstrated their confidence in the government's education and training policies. I am proud to be associated with the tripartite agreement, as are all members of the government.

It is a pity that the Liberal Party does not have any relevant education policies and programs. It will go to the next State election with this deplorable document, which was possibly dreamt up over a few hasty cans of beer because it is not worth the paper it is written on. I congratulate the previous and the current Ministers for education. They have done a superb job in putting education in Victoria back on its feet and addressing the education needs of Victorians. They have provided a broad skill base so that Victoria is flexible enough to respond to the volatile business and industry sectors operating in this age of high technology.

I pay tribute to this year's apprentice of the year, nineteen-year-old Miss Heather Fleming. She is an apprentice bricklayer, and I know all government members congratulate her on her award. I am sure even members of the Opposition would congratulate her and would wish that young woman well.

Mr LEA (Sandringham)—My grievance relates to the unfair criticism of the Liberal Party's education policy, and the remarks of the honourable member for Thomastown support the case that I will present to the House. I take up three points she made: firstly, she said the Liberal Party had taken the policies of the Labor Party. I am sure the current Minister for Education and the previous Minister for Education would not agree with that.

Secondly, the honourable member referred to statistics outlining the increase in apprenticeships in Victoria. However, she neglected to tell the House that the population in that age group has increased dramatically since 1982. One must consider the number of apprenticeships as a proportion of the relevant age group in the work force. Thirdly, she referred to grammar and punctuation included in the Liberal Party's policy. That was included for people who were interested in testing their skills and knowledge.

No-one could suggest that the education policy of the Liberal Party has received much criticism. For the past three weeks I have scanned newspapers and have found little criticism of it. The honourable member for Thomastown said it was devised over a few hasty cans of beer. I assure her that lengthy discussions took place with all teacher unions, the principals' associations, the Victorian Post-Secondary Education Commission, parents' federations and Catholic and independent schools in Victoria. The Opposition did an incredibly good job in researching what the community expects from education.

In the *Age* of 29 March, Geoff Maslen stated:

> It is strong on rhetoric, less strong on practicalities.

That is great stuff! Geoff Maslen ought to know a policy cannot comprise four volumes of detailed programs. What is Geoff Maslen's background? He has been out of teaching for ten years. He taught at an experimental school during the mid-1970s, and his view of education dates back to the views held in the mid-1970s. In the article Mr Maslen also said that the Liberal Party's policy leaves unanswered many questions of detail. I have made the point that a policy cannot give all the details. Mr Maslen said the policy lacked a vision of what education should be for. It may lack a vision of what Mr Maslen believes education should be for but it is in line with what the community believes education should be for.

During the past five years there has been a decrease of 5 per cent in the enrolments in the State system. If it were so successful, students would not be leaving the State system in droves.

Mrs Hirsh interjected.

The SPEAKER—Order! The honourable member for Wantirna should control herself.

Mr LEA—The honourable member for Wantirna worked in the then Education Department, but not in a school. Mr Maslen also said that the Liberal Party's policy beats the old "back to basics" drum. Members of the Liberal Party are forward visionaries and see education and life spiralling upwards. We want to rediscover the true values, and that is what the community wants. If members of the government spoke to people in the community, they would learn that parents want their children to have the basic skills of reading, writing and being able to speak with confidence. The government should listen to the electorate. It sees no fault with the policy of the Liberal Party.

In an article in the *Age* of 29 March 1988, Mr Maslen said the policy of the Liberal Party was simplistic rhetoric. Great stuff! How many in the community would understand what that means? Those words sound convincing but no-one except the most esoteric academic would understand what he meant. Mr Maslen was tyring to bluff people. It was the judgment of a pseudointellectual. He also said:

. . . the Liberal education policy was a sorry ragbag of reactionary slogans . . .

Mrs Hirsh—That is true.

Mr LEA—It is not true.

The SPEAKER—Order! I ask the honourable member for Wantirna to cease interjecting. If she wishes to rebut the argument of the honourable member for Sandringham, I shall call her next.

Mr LEA—In the *Age* of 12 April 1988 another article by Geoff Maslen deals with the education policy of the Liberal Party and states:

It takes little account of modern pedagogical thinking of current psychological insights into child development, or the needs for schools to reshape their practices so that our own people are better able to cope with an entirely new world in the 21st century.

Mr Maslen does not clarify in the article what he means by "pedagogical thinking". In the middle 1970s the free-thinking schools were in chaos and the students were uncontrollable. Is that what Mr Maslen wants? I do not want that nor do parents. I wonder what Mr Maslen means by "psychological insights". Perhaps he should write a special feature for the *Age* to explain what he means.

Mr Maslen stated that goals of schooling would be narrowly focused. I do not believe that will be the case. The education policy of the Liberal Party allows for open zoning and free choice between the State and independent school systems. It provides for a greater input in the funding base. That has not been given any thought by members of the Labor Party.

Much has been said about testing children's literacy and numeracy skills. One has only to discuss this matter with employers to understand the problems they are having with students who have just entered the work force. Much good work is being done in our schools but the children have the right to be literate and numerate. Mr Jim Grant, Secretary of the Teachers Federation of Victoria, described the education policy of the Liberal Party as "educationally illiterate". It is not that; it will achieve what the Labor Party has not achieved in six years in office.

The Opposition's policy will again set educational standards to which children can aspire. Students will be able to seek assistance when they lack the ability to cope with the standards that will be demanded of them. That is the point of the policy. It will not involve a public review or audience but will involve assessments at regular intervals of how the young children are faring in school with subjects like mathematics, English and other general basics. This will provide students with assistance, if they are not coping, before it is too late.

The necessary resources will be available at kindergarten, preparatory grades and Year 1, at which levels literacy and numeracy skills should be taught. This will obviate many of the problems that currently arise at primary and secondary school levels. It is claimed that parents are opposed to testing. I have not met one parent who is opposed to literacy and numeracy testing.

Jim Grant, who was an excellent teacher but who has been out of the classroom for many years, is like many who criticise the Liberal Party's policy. Many critics are teachers who have been out of the classroom for a considerable period and therefore have no valid way of judging the results intended by the policy. The Liberal Party policy proposes that 8, 11 and 14-year-olds will be tested for literacy and numeracy skills. These tests will be of assistance to their development. The Minister for Education in another place stated that the proposed tests would make children feel failures. What absolute rubbish!

How the children react to these tests would depend upon the attitude of the teacher, who can prevent the students from feeling that they are failures. In making their asessments, teachers need to be caring to do the job properly and to assist the children to make progress. A distinction should be drawn between undertaking examinations and tests that identify a need for remedial teaching. There is a distinction between the two.

The Liberal Party policy emphasises the need for discipline in the classroom. At present in many schools students have control of the classrooms. This does not happen in every classroom nor in every school, but I have spoken with hundreds of teachers in different regions—my wife is a technical school teacher—and they are crying out for greater disciplinary powers in the classroom. To achieve that, more power must be given to the principal so that he or she can properly run the school. It is not necessary for me here to refer to my background experience in education. Teachers and parents are requesting greater discipline in schools.

The report of the honourable member for Essendon revealed that 844 mainly stress-related WorkCare claims were made by government school teachers compared with five non-government school teachers between September 1985 and March 1987. According to the teacher unions' booklet, "Strategies for Tackling Teacher Stress", more than $61 million was spent in compensating teachers suffering from stress-related illnesses in 1985. One does not have to be extremely bright to recognise the connection between uncontrollable children and stressed teachers. I am sure even the honourable members for Wantirna and Springvale can understand that! There is a need to increase discipline in the classroom. The problem of discipline is a well-recognised source of increasing teacher stress. There is no debate in the community about that section of the Liberal Party's policy, which has the total support of teachers, parents and students who want to learn.

The Labor Party has not responded to problems experienced in career structures during the six years it has been in office. The government has three times restructured central and regional education offices with disastrous results. The government has not increased the promotion opportunities for teachers, whereas the Liberal Party policy allows for 1000 master teacher positions to encourage teachers to stay in the classrooms and focus on the real business of education. That is something that the Labor Party has not discovered in six years in office and 27 years in opposition.

The Liberal Party policy will rejuvenate the Teaching Service at both primary and post-primary levels. For too long teachers have promoted themselves to the position of principal or vice-principal too early in their careers just so they can receive higher salaries. The Liberal Party policy will provide teachers with the opportunity of earning worthwhile salaries while remaining in the classrooms.

The community has commented favourably and in support of the Liberal Party policy. Mr David Dyer of Buninyong applauds the Liberal Party for emphasising the early years of primary schooling. No honourable member would disagree with that. That aspect of the policy will save a lot of money because remedial teachers will not be in great demand

at the post-primary level as the literacy and numeracy skills will be taught at an early stage. Members of the government party recognise that.

Mr David Dyer said:

Such a policy might not be a vote catcher but it might well be a positive step towards ensuring that more young people have worthwhile school experiences later on and that more parents come to appreciate the importance of these very early formative years. This in turn could well resolve the school discipline problems referred to in the Liberal Party policy document. Often students are disruptive simply because they lack basic competencies and self-confidence.

Other positive statements appeared in the press. Commentators noted that the end to zoning was a great idea. It allowed a freedom of choice so that people could show initiative in choosing their own educational values. The Liberal Party education policy allocates $10 million to improve staffrooms and consequently the morale of teachers. The Labor Party, in its period of office, has neglected teacher morale.

Concern has been expressed about the reorganisation of the Ministry of Education. In the *Age* of 29 March Geoff Maslen was supportive of the "lucid perspective" of the actions that a new Liberal government would take in the education sector. Unfortunately, Mr Maslen is equally as eloquent in his praise of the policy as he is unclear in his criticism of it. Mr Maslen says that the Liberal Party policy wisely steers clear of promising any major changes to the structure of the Ministry of Education because, over the past five or six years, the Ministry has been destabilised. This is a feature of our policy.

I read with considerable interest an article in the *Bulletin* of 19 April under the heading "In touch and winning". The article, by Tony Abbott, referred to the changing attitudes to school sport. It said in part:

What makes a champion school?...

Why do fine sporting schools often boast sound academic records plus extensive cultural interests? Finances, patrician school communities and existing reputation play their part.

The article mentions State schools, independent Catholic schools and grammar schools. It continues:

A cultural convergence is taking place—publicly and with a little heartburn in private schools, quietly and with general support in State ones.

State schools are not scrapping sport in favor of "lifestyle education"; private schools are no longer segregated into libraries for swots and training camps for jocks. Schools that lack "tone" want it and are using sport to get it. Schools that have "tone" maintain it by encouraging sport—but keeping it in perspective.

In the same article, Mr Barry Stanton, a senior sports officer with the South Australian Department of Education is quoted as saying that sport provides a focus for school "tone", giving pupils something extra to strive for and helping school morale. Mr Stanton said that competition is an essential part of any school's sports program.

The wheel has turned and the evidence around Australia and Victoria is that there is a return to consistent values and a refining and reaffirmation of some values that have long-term significance. The Liberal Party education policy embodies the hopes of all young people, the future generation of Victorian youth. It encapsulates the hopes of the Victorian school communities and it points the way forward. The policy has the support of the Victorian education community, teachers and students alike.

The Liberal Party policy provides for equal opportunity in education, diversity of choice, discipline, a variety of curriculum, high standards of education; teachers will have the opportunity of a professional career and who can hold up their heads with dignity, and principals will be proud of the education institutions that they support and serve. Sadly, during the past six years, the Labor Party has presided over the major demise and destruction of the State education system, the decline of teacher morale and the decline of discipline in schools when a former Minister of Education, now the Minister for Industry, Technology and Resources, made a monumental gaffe in weakening the discipline standards in February 1983.

When the Liberal Party is returned to government during the next twelve months, it will introduce the best education policies in Australia, policies that the community will be proud of.

Mrs RAY (Box Hill)—It is regrettable that I should follow the honourable member for Sandringham in the grievance debate, because there is no other honourable member with whose views on education I would differ more strongly. The honourable member and I have clashed on previous occasions over education policies. The honourable member for Wantirna will rebut many of the points put by the honourable member for Sandringham.

The Liberal Party recently released its education policy. It is similar to most other conservative criticisms of education, and is basically an attack on the professionalism of teachers. As a member of the teaching profession in State schools over a number of years before coming to this place, I believe I made a worthwhile contribution to the State school education system and I am proud that all of my four children were fully educated in that system. Mr Maslen said that the new Liberal Party education policy is a slight improvement on the ragbag collection of reactionary slogans that comprised its 1985 policy but, as was pointed out earlier, it lacks a vision about the purpose of education.

The Liberal Party education policy is an exercise in nostalgia. It will not produce the results desired by the Opposition: to return to Latin and the lash and those good old-fashioned disciplines is not the way to go. The world has changed. The advent of television has had an enormous effect on the learning of young people and, indeed, on their maturation to adult life. The average Australian child watches 15 000 hours of television, while at the same time he or she undergoes only 11 500 hours of formal schooling; it is almost impossible to overlook the impact that has on the learning environment of the child. In the so-called good old days the school reinforced the learning that took place at home—in particular, the values, the education and matters pertaining to personal behaviour. The world of work was less complex, and our knowledge of how children learn has greatly increased.

The Liberal Party suggests that the solution to the education problems facing Victoria is to return to an emphasis on the three Rs, as though this had not always been a primary focus of education; the confining of the curriculum to rather narrow choices because of some paranoia about learning about areas which are called by the conservatives soft options or mickey mouse subjects; and, lastly, external testing—which has been dominated by the testing at the higher school certificate level for many years—from Year 7 to Year 12.

As has been pointed out in the debate, the Geoff Maslen article indicated that there would be Statewide testing of eight-year-olds—for goodness sake! And this is regarded by the Liberal Party as some panacea for poor teaching, just as enunciating a discipline code and giving principals the power to expel unruly students are steps that the Liberal Party assumes would go a long way towards solving the problems of student misbehaviour.

Mr Simon Marginson, a former research officer for the Australian Teachers Federation, pointed out in an article in the *Australian* of March 1988:

> It is argued that the introduction of standard minimum competency tests would enable standards to be identified and improved.
>
> There could be no greater error in educational policy.
>
> Assessment certainly has its place in our education system. Standardised competency testing is another thing again.
>
> The US education system has used standardised tests for many years. There is no nation in the world in which there is more debate about declining standards.

That is some kind of judgment on the testing of children at the end of Years 3, 6 and 10. It is an insult to the professionalism of teachers. Any well-trained teacher knows which children in his or her class of twenty students are having difficulty with learning. The problem is not identifying the learning difficulty but in assisting to overcome that learning difficulty. That is where the focus and resources are needed.

Assistance for the teacher is not by means of any of the proposals made in the education policy of the Liberal Party. It is provided by at least three significant means which are being explored currently in the best practice in our State schools. Firstly, it is achieved through inquiry-based learning. This is not a skills-centred type of learning, with a defined body of knowledge that is meant to be understood and digested by students in Year 3, 4, 5 or 6. It encourages problem-solving, flexibility and the taking of initiatives by a child. Those attributes will be invaluable in the complex world of work and, indeed, in the fairly challenging world of adult life.

Secondly, cooperative learning processes should be fostered. Unlike the conservatives who believe competition has itself some intrinsic virtue, insisting that competition is an important part of the real world and that it is, therefore, good to expose a child to competition as young and as early as possible, I believe it really depends on the view one takes of the victims of a competitive system. I entirely agree with the Minister for Education. By introducing competition one is setting up the child for failure in a system geared for strong competition. What is to become of the so-called failures of the Liberal Party system? They have to find their niche in the world. The earlier children learn to deal with diverse levels of ability, the better. No matter how much effort is put in, many will not reach the standards of the child who is applauded for academic excellence. Those children have to find their place in the world, both as children and as adults.

Thirdly, teachers can be greatly assisted in their tasks by better parenting. How many people have honourable members met—not only in the present generation—who have said, "It is rather bad, we have never been taught how to be parents"? I suggest that basic numeracy, literacy and the three Rs do not get one very far in learning how to be a good parent. The teaching of living skills and broader curricula are essential. The things that the Opposition refers to as mickey mouse and soft option subjects need to be a part of the hard core of learning for children in our schools.

The issues of literacy and numeracy, which the Liberal Party policy seeks to address, have been more appropriately dealt with in a State Board of Education discussion paper released in March 1988. It is proposed to raise the standard of numeracy and literacy by the professional development of teachers, by providing for the children who have learning difficulties and by pursuing cooperative methods which involve the home and school as a partnership in the child's learning. External tests would deter that particular method more quickly than anything else.

I have observed three good examples of parent participation in the State system. I know there are dozens more but I particularly commend schools in Doveton which, in 1983 and 1984, were pursuing a home reading program which strongly involved the cooperation of parents with teachers so that the children were exposed to sustained adult company as they undertook the task of learning literacy and numeracy skills.

Learning difficulties often present as discipline problems. I commend the practice of Greythorn Special Assistance Unit of withdrawing for short periods children who have behavioural difficulties and then reassimilating them into the regular classes so that, with their social and emotional difficulties attended to, they are free to participate in formal learning in the classroom.

Hillside was a special school associated with a Community Services Victoria residential service in the eastern region. The honourable member for Glen Waverley and I were involved in requests to the Minister for Education to continue the operation of the unit, after that residential institution was closed. The special school now continues as a support unit and it addresses the emotional and social needs of children. Its work is invaluable in helping children in regular schools who are experiencing learning difficulties, manifesting antisocial or disruptive behaviour. That work enables those children to be absorbed into the regular classroom; and the institution has a high success rate.

Page 4 of its policy document refers to the fact that the Liberal Party would allow the education system curriculum resources area to generate the best teaching materials and to

disseminate the most effective teaching practices. Already there is a plethora of such material being issued from the Ministry of Education, through educational publications. To name just a few, there are publications entitled *Reading and Spelling, A Guide for Victorian Schools* and *Guidelines in Numbers*; surely they are highly focused in the area of the three Rs. I suggest there is no shortage of material and those employed in the section dealing with curricula do not need to be encouraged to produce more material.

Teachers should attend professional in-service courses to become familiar with the use of such material. As a former practising teacher I can only say that teachers are incredibly isolated from good practice. One is very fortunate to work in a school where there is innovative and successful teaching. The time made available for professional development of teachers is pitifully inadequate at present. That has always been the case, and is a problem that needs to be addressed.

Each teacher needs to be given one day each term to visit schools that he or she believes could assist in a learning process in terms of excellent practices. One needs to see the way in which other teachers deal with a body of material or a particular methodology, to see how children react, to assess whether or not that is the best way to proceed, and to decide ther that particular methodology is the one with which the teacher is comfortable. Those kinds of in-service programs would make teaching more effective and would significantly increase job satisfaction. That would increase the confidence of teachers in their particularly difficult tasks.

The Liberal Party's education policy is reactionary and flies in the face of the demands of the present, let alone the future. It would not prepare our children to cope with either the world of work or adult responsibility. If there are shortcomings in our education system, they are more likely to be due to too many teachers using the old-fashioned methods of the good old days rather than the new methodology which actively involves children in inquiry-based cooperative learning.

Mr WALLACE (Gippsland South)—My grievance relates to an issue in today's *Sun*, that was mentioned in debate by the honourable member for Werribee, concerning the National Crime Authority's investigations of a fraud in which small investors have been fleeced of some $40 million. I go a little beyond that to refer to some farmers and business people who I believe have been fleeced and are finding themselves in considerable financial difficulty because of the roll-over interest procedure used in hire-purchase arrangements.

The *Bendigo Advertiser* of 7 December 1987 referred to numerous farmers who are involved in this area. The Consumer Credit Legal Centre in Sydney is handling more than 50 cases of farmers allegedly being overcharged amounts totalling $6 million because of roll-over interest finance.

I address my remarks to the Minister at the table, the Minister for Property and Services, who did some good work in his former portfolio. I ask the Minister to pass on my grievance to the present Minister for Consumer Affairs. I hope he will be able to examine the matter quickly and resolve this problem. A number of farmers have come to Melbourne and met with members of Parliament from all sides of the House. The Minister for Consumer Affairs is aware of the issue, and I hope he takes up the matter in the near future. The same article in the *Bendigo Advertiser* states:

> A solicitor working for the Victorian Consumer Credit Legal Service said last week farmers were being "ripped off blind" by the companies, while a solicitor with the NSW Consumer Credit Legal Centre went as far as to describe the alleged illegal overcharging as "systematic extortion".

Farmers are finding it extremely difficult to meet these higher charges. It is ridiculous that one can be charged 23 per cent interest on a hire-purchase arrangement and that it can be rolled over so that one has then to pay 43 to 45 per cent.

In an earlier debate honourable members referred to the prices of certain groceries. That is an important issue to be considered but other areas, such as the one I have mentioned today, should also be examined sympathetically. I hope the former Minister for Consumer

Affairs, who is at the table, will discuss this matter with me today. My colleague, the honourable member for Doncaster, was gracious enough to allow me to take a few minutes of the time remaining in the grievance debate today. For that reason, I shall not go into further detail.

A number of people are involved in this issue. I have a large file covering the matter, including correspondence from Norm Sims, who is only one of the people who has spoken to me. I ask the Minister for Property and Services to refer this matter to the Minister for Consumer Affairs, and ask that he do something quickly.

Mr WILLIAMS (Doncaster)—My grievance relates to correspondence I have received under the provisions of the Freedom of Information Act from the Department of the Premier and Cabinet. It illustrates some of the difficulties honourable members face in getting into inner sanctums of government.

I requested information about domestic and overseas travel. The departmental freedom of information officer advised me:

> . . . that vouchers are not always issued for overseas trips. On occasions, due to time constraints, VicTour issues tickets from oral requests and provides an invoice at a later date.

After seeking access to where auditors had sighted the vouchers, I was told:

> I advise that the Auditor-General's department is not involved in sighting individual vouchers.

I have been completely stymied in discovering the inner secrets of travel arrangements of the top public servants, Ministers of the Crown and other important people in the government. I was also advised:

> . . . where approval to travel has been sought by officers within this department there has not always been correspondence.

In other words the Cain government is using the telephone and other verbal arrangements for people who receive expensive overseas and interstate travel tickets. I certainly did not appreciate the advice at the bottom of the letter:

> For your information the cost to the department in processing this request is $250.00

I take strong objection to that. My right to obtain information has nothing to do with charges levied on other people. I now refer to a classic example I obtained from the files. On 23 May 1984 the Chief Executive Officer and Town Clerk of the City of Melbourne sought advice of the Premier about sponsoring someone to visit the city of Thessaloniki, Greece, to commemorate the formal establishment of a friendship relationship between Melbourne and that city. The Premier was asked to nominate a person to be one of a party of ten people to visit that city. The letter of 23 May states:

> . . . members of the delegation, including councillors, will be required to pay their own air fares and other expenses, although it is understood that all expenses while in Parliament will be met by the host city.

Nothing appears to have happened until 22 June when the Premier wrote to the honourable member for Richmond and said:

> I enclose a copy of a letter to the Melbourne City Council nominating you as the government's representative on a delegation to the City of Thessaloniki between 10 and 20 October 1984.
>
> You will note that should you accept this nomination you will be required to pay your own air fares and other expenses although expenses while in Thessaloniki will be met by the host city.

For some reason that cannot be gleaned from the file there is no further correspondence. However, on the letter of 22 June there is a notation which appears to be in the handwriting of the Premier:

> Pay return air fare and usual daily allowances. Business class—of course.

It appears that the Premier has two standards, he expects other people, particularly members of Parliament, to travel economy or tourist class, yet he gives approval to his own representatives to travel business class at State expense, in complete contradiction to

advice given by the Melbourne City Council that nominees were expected to pay their own expenses. The nominee of the Premier is provided with this gratuity not by any official document but in the handwriting of the Premier.

I am also concerned about the official document written by the travel officer of the Department of the Premier and Cabinet. Honourable members will recall that the visit was from 10 to 20 October but this letter was written on 9 October. It is peculiar that the whole matter was being legitimised when the honourable member for Richmond should have been in Greece. The letter states:

> I have been in contact with Ms Martina Troy of Jetset Tours (Australia) Pty Ltd . . .

Again this is a clear breach of Cabinet guidelines. As I understand it, VicTour is the only travel organisation that can make arrangements for members of Parliament or public servants. Yet an associate of Continental Airlines Inc.—the organisation the Premier was so nasty about because it arranged a ticket for the former Governor of Victoria, which was responsible for him losing his job—made arrangements for the honourable member for Richmond.

There is no sign of the honourable member for Richmond losing his job! The letter informed the honourable member for Richmond:

> Ms Marina Troy . . . will arrange to issue you with a return business class flight ticket as per the details shown on your itinerary and has also arranged appropriate insurance cover during your absence overseas. These two costs totalling $1557 will be charged direct to the Department of the Premier and Cabinet.

I wonder why the honourable member for Richmond was not given a free ticket under the arrangements that the rest of us must put up with? Under the Commonwealth Parliamentary Association arrangements, the Labor Party receives four tickets and the Liberal Party receives three tickets a year. Why was that not part of the arrangement? Why should there be an extra dividend for the honourable member for Richmond?

The point that intrigues me is that the honourable member for Richmond visited not only Greece but also another part of Europe. The letter also states:

> I have also noted . . . that you are in possession of a current passport and visa arrangements for Yugoslavia which are in hand.

The Premier of Victoria has no right to castigate the rest of us and to allege that we are making a nuisance of ourselves, costing the taxpayers money and all the rest of it. What is good for one member of Parliament should be good for another.

I shall continue to exercise my rights in this place and will ask questions on notice and make requests under the Freedom of Information Act. I have no doubt that there are many other examples in the files that show the double standards of members of the Cain government.

Mrs HIRSH (Wantirna)—Before I begin my contribution in this grievance debate, I should like to inform the House that there is now another new and important member in Victoria who will require educating in a few years. Today, the honourable member for Morwell has given birth to another son, who will benefit from the Labor government's education policies in future. There is yet another Labor voter in Victoria! I believe both parents are deserving of the congratulations of the House.

Honourable Members—Hear, hear!

Mrs HIRSH—On a less pleasant note, I refer to the remarks of the honourable member for Sandringham, who gave the impression in his dissertation to the House that he is contemplating doing nothing more than bringing back the strap and introducing external examinations for eight-year-olds. Can one imagine a bunch of eight-year-olds, under the Liberal Party's policy, going off to the Exhibition Building to take external examinations? It is extraordinary.

Mr Lea interjected.

Mrs HIRSH—The honourable member said he would bring back the strap, not in so many words, but that intention was obvious in his remarks on education.

Following the release by the Liberal Party of its education policy documents the other week, which would put back Victorian education at least twenty years, if not back to the nineteenth century, and which was labelled by Geoff Maslen of the *Age* as a "reactionary response", the whole truth of the matter began to emerge at the Liberal Party national conference last weekend.

A motion was moved at the conference seeking to remove Federal funding from the Victorian education system altogether. It was opposed by the Federal Leader of the Opposition, Mr John Howard, but it was supported by the Victorian Leader of the Opposition. Some members of the Liberal Party, who are perhaps more enlightened and have a better appreciation and understanding of the education system, suggested that a wholly State-controlled education system would be a political minefield that could lead to financial discrimination against non-government schools. I point out that such a system would lead to discrimination against all schools.

There are a number of primary and secondary State schools and four Catholic parish schools in my electorate. After the motion was proposed at the Liberal Party conference at the weekend, the principal of one of those Catholic schools telephoned me and asked me what it was all about. If the Liberal Party's proposal were adopted, the withdrawal of Commonwealth funding and the development of a totally State-funded education system would be an absolute disaster for the four Catholic parish schools in the Wantirna electorate, which I represent.

It is unbelievable that any political party would contemplate such a move. Of course, the Victorian Leader of the Opposition, Mr Kennett, believes it is a good idea. "Let us remove Federal funding," he says, "Let us get it back to a State level so that we discriminate against a very important sector in the community—the Catholic parish schools." Those schools have found it difficult to operate over the years because of the administration of earlier Liberal governments.

According to an article that appeared in the *Australian Financial Review* last week, Mr Jim Carlton actually dismissed the concerns of his own party who were present at the conference. He said that, of course, there would be safeguards against these things happening. Honourable members know about safeguards! When Mr Elliott proposed a consumption tax, it was claimed it would include safeguards to protect low-income earners. Members of the Liberal Party are aware of the dangers involved in the proposal—all except the Victorian Leader of the Opposition, who supports the idea.

I refer now to the section of the Liberal Party's policy dealing with higher education, which proposes that universities not be funded but merely that individual students should be encouraged to pick their universities and that the individual students should be funded. That would be another retrograde step. At page 18 of the Liberal Party's policy document on education and training—the grab bag from the nineteenth century—reference is made to the Labor government not funding places in universities and colleges of advanced education. In fact, the Victorian Labor government is the only State government in Australia that provides funding for tertiary sector places, such as for nursing education. No other State government provides such funding.

Therefore, the Victorian Labor government not only supports an excellent State school system, and assists in supporting the Catholic parish school system as well as other schools, but also supports tertiary education.

The idea of removing Federal funding from the State school system—I am sure the Victorian Leader of the Opposition will push for the withdrawal of Federal funding—is absolutely horrific. I would be concerned about its effect on Catholic parish schools throughout Victoria. I know the Catholic Education Office is as worried about the proposal

as I am, and so it should be; the introduction of such a policy would result in nothing but an unmitigated disaster.

The Liberal Party education policy is to have children's abilities measured by an external examination. Teachers will be promoted on the basis of their merit. How does one define merit? Under Liberal Party policy, education will be based on the results of standardised tests. Teachers will ensure that children learn those matters that will obtain good results in their tests and children will not receive a broad education.

The Liberal Party education policy is travelling in a disastrous direction. The Liberal Party is not only content with destroying the Catholic parish school system and the independent school system by completely cutting out Federal funding to those schools but also it will encourage teachers to educate children so that they may successfully complete a set of standardised tests. This is what will occur when teachers are promoted on results.

I do not believe Victorians will be prepared to wear either of these aspects of the Liberal Party education policy. As time goes by, more destructive Liberal Party policies will emerge.

The SPEAKER—Order! The honourable member's time has expired.

The question was agreed to.

CARAVAN PARKS AND MOVABLE DWELLINGS BILL

Mr WALSH (Minister for Housing and Construction) moved for leave to bring in a Bill to regulate caravan parks and to confer tenancy rights on people who live in caravan parks, and for other purposes.

The motion was agreed to.

The Bill was brought in and read a first time.

SUPERANNUATION (AMENDMENT) BILL

Mr FORDHAM (Minister for Industry, Technology and Resources)—I move:

That the following Order of the Day, Government Business, be read and discharged:

Superannuation (Amendment) Bill—Second reading—Resumption of debate.

and that the Bill be withdrawn.

As honourable members will note from the Notice Paper a number of replacement superannuation Bills have developed with the division of those various aspects and, as indicated under Government Business, in those circumstances it is proposed that this Bill be withdrawn.

The motion was agreed to, and the Bill was withdrawn.

ORDER OF BUSINESS

Mr FORDHAM (Minister for Industry, Technology and Resources)—I move:

That the consideration of Orders of the Day, Government Business, Nos 1 to 8 inclusive, be postponed until later this day.

These are a series of second-reading speeches to Bills which have been delayed at the Government Printing Office due to a range of difficulties. It is proposed that they will be dealt with later this day.

The motion was agreed to.

SUPPLY (1988-89, No. 1) BILL AND WORKS AND SERVICES (ANCILLARY PROVISIONS, No. 1) BILL

The Orders of the Day for the resumption of the debates on the motions for the second reading of these Bills were read.

Mr FORDHAM (Minister for Industry, Technology and Resources)—I declare these Bills to be urgent Bills, and I move:

That these Bills be considered urgent Bills.

Approval of the motion being put was indicated by the required number of members rising in their places, as specified in Standing Order No. 105 (*a*).

The House divided on the motion (the Hon. C. T. Edmunds in the chair).

Ayes	44
Noes	31
Majority for the motion	13

AYES	NOES
Mr Andrianopoulos	Mr Austin
Mr Cain	Mr Brown
Mr Cathie	Mr Cooper
Dr Coghill	Mr Delzoppo
Mr Crabb	Mr Dickinson
Mr Culpin	Mr Gude
Mr Cunningham	Mr Hann
Mr Ernst	Mr Hayward
Mr Fogarty	Mr Heffernan
Mr Fordham	Mr Jasper
Mr Gavin	Mr Kennett
Mrs Gleeson	Mr Leigh
Mr Harrowfield	Mr Lieberman
Mrs Hill	Mr McGrath *(Warrnambool)*
Mr Hill	Mr McNamara
Mrs Hirsh	Mr Maclellan
Mr Hockley	Mr Perrin
Mr Jolly	Mr Pescott
Mr Kennedy	Mr Plowman
Mr Kirkwood	Mr Ramsay
Mr McCutcheon	Mr Reynolds
Mr McDonald	Mr Ross-Edwards
Mr Mathews	Mr Smith *(Polwarth)*
Mr Micallef	Mr Tanner
Mr Norris	Mrs Wade
Mrs Ray	Mr Wallace
Mr Remington	Mr Weideman
Mr Roper	Mr Whiting
Mr Rowe	Mr Williams
Mrs Setches	
Mr Shell	*Tellers:*
Mr Sidiropoulos	Mr John
Mr Simmonds	Mr Lea
Mr Simpson	
Mr Spyker	
Mr Stirling	
Mrs Toner	
Mr Trezise	
Dr Vaughan	
Mr Walsh	
Mr Wilkes	
Mrs Wilson	

Tellers: Mr Seitz Mr Sheehan		
	PAIRS	
Miss Callister		Mr McGrath *(Lowan)*
Mr Pope		Mr Evans *(Ballarat North)*

Mr FORDHAM (Minister for Industry, Technology and Resources)—I move:

That the time allotted in connection with the Bills be as follows:

for the remaining stages of the Bills until 10.30 p.m. this day.

I know it is a longer period than was anticipated by the Leader of the Opposition. To date there have been five-and-a-half hours of debate on these Bills with eleven members speaking to them. I propose that there be another four-and-a-half hours, with 2 hours for debate prior to the suspension of the sitting for dinner and another two-and-a-half hours following that suspension, giving a total of approximately 10 hours for debate on these Bills.

I direct the attention of honourable members to precedents for the Supply debate. The last time the Liberal Party was in office in Victoria 5 hours 6 minutes was allowed for debate. Last year, the time allowed for the Supply debate was 8 hours 44 minutes. Under these circumstances, if anything, obviously the government has been generous in the provision of time for debate. It is possible that there will not be sufficient speakers to use the time proposed.

I believe honourable members will regard that as fair and reasonable. I ask them to reflect on what happens in other Parliaments in Australia and that we do not need to go through a nonsense about times. I look forward to cooperation in a more meaningful way from the Opposition on issues of this sort.

Mr STOCKDALE (Brighton)—The interesting matter about the question of time is that on each of the last three occasions that the Supply Bill has been before Parliament, the debate has been guillotined. It is also interesting to note that 32 speakers had the opportunity to debate Supply in 1985–86 and 20 speakers had an opportunity to debate the 1986–87 Bill.

This is one of the three most important opportunities honourable members have of speaking on a wide range of issues. It is one of the key opportunities, particularly for backbench members of Parliament, to express the interests of their constituents across the whole range of the government's legislative program. It is a farce that yet again this year most members of this House will be denied the opportunity of speaking on the Supply (1988–89, No. 1) Bill and the Works and Services (Ancillary Provisions, No. 1) Bill. It ill-behoves the Minister for Industry, Technology and Resources to rely on the duration of previous debates, but they are not precedents. Those debates were limited only because he moved the guillotine on each occasion.

I do not want to take up a great deal of time debating this issue; it could be better spent by giving other honourable members an opportunity of speaking on the Bills. This is obviously another occasion where the government is fearful of what might emerge from the debate and it feels that it is necessary to gag members of this House.

The motion was agreed to.

The debates (adjourned from 29 March) on the motions of Mr Jolly (Treasurer) for the second reading of these Bills were resumed.

Mr AUSTIN (Ripon)—One feels almost privileged to have the opportunity of taking part in the cognate debate on these Bills, which authorise Supply to enable the government to maintain its operations for the first four months of the 1988–89 financial year. I say

that in the full knowledge that these will be the last Supply Bills the government introduces, because there will be an election between now and this time next year and, undoubtedly, there will be a change of government. It is inevitable with the rising groundswell of public hostility and mistrust of the government and the arrogance we see day by day from the Premier, who is prepared to ride roughshod over public opinion and who is smugly content to hold to his own opinions whenever they run counter to the needs and aspirations of the people of Victoria, that there will be a change of government. I assure honourable members that that mistrust of and disenchantment with the government continues.

To the delight of honourable members on this side of the House and, no doubt, to the chagrin of those on the other side of the House—particularly on the back benches—it is not in the nature of the Premier to change his ways. He continues to convince himself that he is right. He believes all those who disagree with him are wrong. No doubt that is one of the reasons why Labor's star is waning. There have been changes in five States of the Commonwealth. In New South Wales there has been a major Liberal victory against all the odds with Nick Greiner winning government in that State. In Victoria the recent Kew by-election resulted in a great swing against the government. In South Australia two by-elections were held with similar swings. The same occurred in Western Australia, and last weekend the fifth State, Queensland, also showed its distrust of the Labor Party with a marked swing against Labor in a by-election.

In all those States the electors have made their feelings abundantly clear. They have made their views known in the only effective way; through the ballot box. It would be wrong for the government to think that the community hostility we have seen across the nation relates only to one or two issues; issues such as gun control or, in the case of the Kew by-election, the powerlines.

Although, no doubt, gun laws and the firearms legislation has had an effect, particularly in New South Wales and perhaps to a lesser extent in Kew, they would have had little or no effect in those other States, which really shows that there is a nationwide dissatisfaction with Labor administrations.

There is a common ground among those electoral reverses affecting five Labor States and that common ground is the ever-increasing cost of the policies of both State and Federal governments that are biting more and more deeply into the average taxpayers' resources. That fact, plus the indifference of Labor governments, in Victoria in particular, is the basic reason for the hostility.

The mistrust stems largely from the failure of Labor governments to honour their promises and on that score, in Victoria, none is more guilty than the Premier himself. The Supply Bill seeks appropriation for $3·5 billion to cover the current works and services expenditure from 1 July to 31 October. Additional expenditure is based on wages and salaries increases covered by the Treasurer's warrant.

Year by year the government has introduced Bills seeking appropriation of ever-increasing amounts. In 1983–84 the total estimated expenditure was $7·9 billion. This year, just four years later, the government's estimated expenditure is $11·2 billion, a rise of $3·2 billion or 40·5 per cent.

Inevitably, with rising government expenditure, revenue must increase by a corresponding amount and this is where the government is getting into its present difficulties. Honourable members will recall how the government repeatedly has said that increases in government taxes and charges would not be greater than the consumer price index. That has become a joke.

I shall examine now some of the increases that may have escaped the notice of the average citizen. Firstly, there has been a rise in the stamp duty on insurance to $113·3 million. The stamp duty on betting transactions has risen by 10·5 per cent to $17·5 million. Petroleum franchise fees have increased 11·6 per cent to $239·6 million. Totalizator returns have increased by 11·5 per cent to $114·7 million.

Liquor franchise fees have increased by 8·6 per cent to $93 million. Tobacco franchise fees have increased by only 5·4 per cent but the total consumption tax has increased by more than 300 per cent in the past four years. Financial institutions duty has increased by 13·8 per cent to $136 million, and fees and charges for the Department of Agriculture and Rural Affairs have increased by 23·6 per cent to $14·6 million.

If one examines the public authority dividend, one sees that the State Electricity Commission dividend has increased by 32·6 per cent to $92·6 million. The Gas and Fuel Corporation figure has increased by 6·5 per cent to $266 million. The figure for the Board of Works has increased by 21·5 per cent to $79 million.

In a completely different area concerning shooters' licences, authorities to hunt and new gun permits have increased in price by 80 per cent. All of these increases are the result of a government which said it would not increase taxes and charges by more than the consumer price index.

I have mentioned only a few of the areas where taxes and charges have risen, and they contribute to the reason why Victoria is the highest taxing State in the Commonwealth. If the Treasurer did his homework, he would see that there are some increases in taxation that he has seen fit to omit. Victoria's power and fuel charges are the highest of anywhere in the Commonwealth.

People in rural Victoria are well aware that the government is reducing expenditure on government services but, in watching that process take place, they are resentful when they read of multimillion dollar projects being funded by the government while at the same time they are being hit by many penny-pinching methods which disadvantage country people compared with their city counterparts.

I have often said in this place that country people deplore the current policy that is denuding country towns of government department offices, all in the name of regionalisation. Under the old system country people needing advice could make a telephone call and an officer would come out and see them. They now have to travel to a regional centre or transport that officer themselves at their own expense onto their properties, and perhaps that is why receipts to the Department of Agriculture and Rural Affairs, on fees and charges, are estimated to increase by 20 per cent this year.

Many funding cuts are being felt severely by country people and one example in the electorate I represent concerns the small Lexton Primary School. For many years now parents, pupils and staff of the school have been looking forward to the day when they might have their own bus services. They have been well aware of the formula and criteria they would have to meet for a bus to be supplied to service the school.

After many years as new settlers came into the area some development took place and eventually the school had the required number of pupils to warrant a school bus being supplied. The school paid the application only to be told: "We are sorry but we have no buses. We have no resources and no money to provide a bus and I am afraid that you will have to continue in the same way as you have in the past".

The government is saying that the only way a bus will be supplied to the school is when a service is no longer required in another part of the State. That is unfair to the Lexton Primary School. That school will continue to be funded at the present level until the end of October and one can imagine that there will be no change in that policy and, therefore, the parents will continue to transport their children long distances at their own expense. Many of the mothers of these children are working in the City of Maryborough, which is in the opposite direction to the school and it makes for a most unfortunate and unfair position.

On the subject of integration, the government has talked a great deal about the policy of encouraging integration of physically handicapped children into our State school system. In the electorate I represent in both the City of Maryborough and the Town of Stawell, funding cuts have limited the support staff necessary to make that system work and, in

some cases, through the lack of sufficient support staff, those kids have been forced back into the special schools. Although the idea may be fine, its application leaves a lot to be desired.

I turn now to mining activity, which is an important subject in the State. I guess there is no electorate in Victoria that has as much mining potential as the electorate I represent, especially the towns of Beaufort, Clunes, Stawell, St Arnaud, Maryborough, Talbot, Ararat, Avoca, Landsborough and Great Western. In the past, especially in the early gold rush days, those towns were famous for their gold production. Tremendous potential exists in those areas for another mining boom to take place.

The towns are very much in the limelight because of recent developments in the mining industry. The controls on gold prices have been removed and, as honourable members would be aware, the price of gold is now more than $400 an ounce. The introduction of modern technology means that gold can be extracted from previously inaccessible mines and other areas. Most of the earlier mining activity in those areas came to an end because of either water or foul air problems. The mines were abandoned, not because the gold ran out, but because it was no longer possible to extract it. Mining opportunities have never been better and concern exists throughout the whole of Victoria, especially in the electorate I represent, about the way in which the technology and processes for gold extraction will be developed and carried out.

Most people agree that resources ought to be developed. Most honourable members understand that minerals in the ground are the property of the Crown. However, it is important to protect the interests of landowners. In recent times a new method altogether of open-cut goldmining has been developed. This development has frightened landowners.

Probably the largest open-cut mine in Victoria is the one located on Crown land in Stawell in the electorate I represent. The mine is on timbered land, which is not of a high value, and, although the cut is large and deep and perhaps a rather ugly mark on the landscape, the commercial value and the limited amount of ecological damage taking place makes it a worthwhile, profitable, and sensible enterprise.

I should like to put in a word for landowners by stating that I do not believe open-cut mining ought to take place on private land unless the miner has the agreement and permission of the landowner. It comes down to consultation and compensation. In most instances sensible decisions and agreements can be reached.

However, at present prospective miners can enter private property and peg out leases; the first the owner knows about the situation is when he visits his back paddock and discovers a lot of pegs have been driven into the ground. That situation ought to change. Exemptions from mining activities already exist. Mining is not allowed in national parks or certain distances from farm buildings, water points and windmills.

Open-cut exemptions ought to extend even further to include cases where landowners do not agree that their properties should be mined. Some farmers would never want to see mining of that nature carried out on their properties. Mining activities lead to tracks being made through paddocks in which farmers' vehicles may become bogged in winter and which may cause dust problems in summer. This can cause economic hardship and farming losses in sheep-producing areas.

The honourable member for Balwyn mentioned recently that he intended—and I believe he has already begun—to amass information and knowledge to enable a rewrite of the Mines Act. That appears to have motivated the government into doing the same thing. It does not matter who rewrites the Act, so long as the right result is eventually reached.

Farmers and miners should be friends. We do not need the kind of antagonism that sometimes takes place. Sometimes a lack of commonsense on behalf of perhaps both parties leads to problems. Both miners and farmers contribute to Australia's vital export earnings. They both rely on world markets and both have a common interest in keeping down costs.

Rural municipalities have expressed concern to me about the future funding for local roads, especially if some recommendations of the Cameron report are adopted. Local government is concerned about two aspects of the report: firstly, the suggestion that road funding allocations under the Federal Australian Land Transport (Financial Assistance) Act be absorbed into general purpose grants; and, secondly, the disquieting aspects associated with the proposed cutbacks in total local road funding from 25·2 per cent to 14 per cent. In dollar terms, that represents a 44 per cent reduction on last year's allocation. In Victoria it would mean a 29·5 per cent drop in funding for local roads.

The debate on chemical residues has got very much out of hand over recent weeks. It should always have been—and I remember saying this six months ago—kept on a non-partisan basis; the debate should never have become political. The people who show an interest in this subject ought to understand that it represents a political and trade problem rather than a health problem. It largely originated in the United States of America because importers complained about the high level of chemical residues in Australian meat. I do not believe Australian chemical residue levels are as high as the levels in meat produced in the United States of America, but America is in a position to call all the shots and Australia must provide what it wants. If Australia continues down the track on which it has been forced by the United States of America, it will finish up with the cleanest meat in the world.

In the meantime farmers are suffering economic hardship because the Minister was slow to act in the first place. That is the reason why legal action was threatened, although I am not sure whether it will proceed. An article in the *Pakenham Gazette* of 30 March 1988 under the heading "Gembrook Farmers Will Fight in Supreme Court", states:

> Gembrook potato farmers voted 49 to 4 on Monday night to institute legal action against the government over the dieldrin issue.

I wish the farmers well, but I also sound a note of caution in that the nation would not want to finish up with wealthy lawyers and poor farmers. There is a danger that, if the fight is won, there will need to be concern for the position which might be taken by officers of the Department of Agriculture and Rural Affairs in giving advice to farmers in the future. It appears that that particular service is disappearing.

Australian farmers are very good in the field of agriculture. A significant part of their excellent productivity performance is brought about through the use of farm chemicals. It is equally true to say that farm chemicals in general use in Australia are recognised on the world farming scene as being not only some of the best farm chemicals but also some of the most stringently tested, efficient, and effective in crop protection and animal health.

It is estimated that 170 000 Australian farmers provide food and clothing for 16 million Australians and 60 million people living overseas.

As I said earlier, there is no health problem. An adult would need to eat 25 000 kilograms of dieldrin-affected meat in one day to feel any ill effects. The average amount of meat that you or I would eat in a lifetime, Mr Deputy Speaker, is 6000 kilograms. If that were put another way, one would have to eat about 100 steers in 24 hours to have any problem with one's health. Those figures show the absurdity of the present situation.

I speak as an individual and not as someone enunciating the policy of the Liberal Party, because I do not think it has been discussed. The acceptable level of chemicals in a beast should be lifted from the present 2 parts per million to something in the order of 6 parts per million, which would be of no risk to health and would allow many of those cattle currently quarantined to be freed on to the market.

The effect of the cattle quarantining has been devastating for farmers. It is extraordinary that some of the tests which have shown positive have been conducted on properties that have never used DDT or dieldrin. Some of the tests appear to be inaccurate and unreliable. A lot of questions need to be answered about the tests.

The last matter I mention relates to the subject of the gun debate. I am sorry that the Minister for Police and Emergency Services is not in the House. I refer to one aspect of the gun issue which is not included in the proposed legislation. It is an important aspect relating to a farmer who used to have a permit——

The DEPUTY SPEAKER (Mr Fogarty)—Order! The proposed legislation the honourable member is referring to is before the other House.

Mr AUSTIN—The aspect on which I wish to speak is not included in the Bill.

Mr Remington interjected.

The DEPUTY SPEAKER—Order! In other words, you are not touching on proposed legislation now before the other House?

Mr AUSTIN—That is right. I refer to an aspect of the gun issue relating to farmers having a permit to use guns only on their farms. That matter is not dealt with in the Bill and it is vital to farmers because they are not able to obtain a shooter's licence and therefore cannot use their guns until they have completed a training program.

The DEPUTY SPEAKER —Order! The honourable member is dealing with proposed legislation now before the other place.

Mr AUSTIN—I finish on the note that there are aspects of the gun issue not dealt with in the proposed legislation and they should be. The matter I refer to is a separate matter and there will not be the opportunity of discussing the gun issue in this place again.

The Opposition supports the Bills but deplores the fact that there will not be sufficient time for many members to make their contributions to the debate.

Mr BROWN (Gippsland West)—It is with considerable pleasure that I rise to contribute to the debate because I am fully aware that this is most likely the last Supply Bill that will be debated with a Labor government in office for the next 27 to 30 years. I look forward to the next State election——

Mr Remington—Are you going to block Supply?

Mr BROWN—No, but the honourable member for Melbourne knows that the government will go to the polls as soon as it can. He knows the government's star is fading.

The DEPUTY SPEAKER —Order! The honourable member for Gippsland West should ignore the interjection which is out of order.

Mr BROWN—The honourable member for Melbourne knows his days are numbered. The sooner the next State election is held, the better for the taxpayers of this State.

Honourable members are fully aware of the fact that Victoria is the highest-taxed State in the nation, regardless of the misinformation that the Treasurer seeks to put around.

If one considers all the taxation in Victoria, such as the taxation the Treasurer rips out of the statutory authorities, on a per capita basis the tax paid is $1022 a year. The next highest taxed State in Australia is New South Wales, with a tax of $889 a person a year; then Tasmania, with a per capita tax of $744, and so it goes on. It is interesting to note that the State the government likes to knock so much, Queensland, has a tax a head a year of $522, all State taxes considered. In other words, half as much money a head is raised in Queensland for State revenue as is raised in the highest-taxed, highest-spending State in Australia under Labor, our own State of Victoria.

Honourable members will note that Victorian public sector employment has increased by more than 30 000 in Victoria since 1983, which is a growth exceeding 10 per cent. It goes on unabated. State government stamp duty income has increased sharply and is up by 45 per cent, according to half-yearly figures recently released by the Treasurer. That is not a bad hike. The government undertook not to increase State taxes and charges above

6 per cent and yet stamp duty income is up by 45 per cent! One wonders just how relevant the 6 per cent promise was!

Again, contrary to the promises given prior to two State elections—during which the people of Victoria were misled by the present Labor government—the Treasurer presides over taxes on statutory authorities which will cost every man, woman and child in Victoria $122 a year. That is almost $500 for a family of four in this State. It is an irrefutable fact that, under the Labor government with its brainless penchant to increase taxes, Victorians have been put in the highest taxed State by far.

The Labor government has used taxpayers' funds in commissioning opinion polls—the results of which are kept secret from the taxpayers—and has spent millions of dollars in acquiring the information! The government has been involved in matters such as the Nunawading Province re-election, which has been labelled a "scam" by the media. The stench surrounding the Continental Airlines Inc. affair still hangs over the government. The dirty tricks and low standards of the government have become the norm. They are some of the reasons why the government will be thrown out of office at the next election.

What disgust is felt by voters when they read daily headlines such as: "How the BWIU spent $463 000 in government grants"! The government treats taxpayers with disdain! The government gave almost $500 000 to its union mates to knock off another union!

I would never consider carrying a brief for the Australian Builders Labourers Federation. Yet the way in which the government handed out $500 000 is reprehensible. If the Liberal Party were in office and handed out $500 000 to any group deemed to be mates, friends or associates of the Liberal Party, members of the Labor Party would scream long and hard from the rooftops—and deservedly so. Yet the government continues to grease the pockets and bank accounts of its friends, its pollsters, and anyone else who is considered to be a fellow traveller of the Labor Party.

The government knows how to look after its own! If one were to give the government credit for anything it has done, it would be for the way in which it looks after its own. The government has appointed its own people to prominent positions in the Victorian Public Service. Many Labor Party hacks have been appointed to boards of various kinds. Such behaviour has become the norm. The appointment of such people will make life very difficult for an incoming Liberal government; nevertheless, when we are elected at the next election we will begin to clean up the problems we inherit from day 1!

The Minister for Police and Emergency Services is responsible for the handing out of large grants. Money was provided for the painting of occupational health and safety murals. Money has been provided for the painting of graffiti on a safety wall surrounding a building site in Melbourne. The graffiti to which I refer is written in the New York subway style. What an outrageous waste of the hard-earned dollars of taxpayers!

I am thankful that most taxpayers of this State have woken up to what the government is doing. Those taxpayers who have not yet woken up fully are gradually becoming aware of the rorts and scandals of the government; and those people will vote against the government in droves.

Until recently, no-one in the Liberal Party had dreamed of swings of 20 per cent being recorded against the government. Twenty per cent! That is the sort of swing the Liberal Party has received in elections across Australia in recent times. A swing of 10 per cent is now a standard figure for the Liberal Party to receive when any election is called. In the forthcoming State election, the Liberal Party requires a swing of only 2 per cent to gain office and to rid the State of this corrupt and scandalous government. The demise of the government is only a matter of time—and the sooner it happens the better.

Longstanding supporters of the Labor Party have finally woken up, none more pre-eminent than the Honourable Barry Murphy, who represents the Gippsland Province in the other place. He has had a gutful of the government! He has finally woken up to the disdain the government has for the electorate. To his everlasting credit, he has had the

intestinal fortitude to say "I have had enough. You can keep it. I am out!" That man now sits in the other place as an independent. As I said, it is to his everlasting credit that, although he was a member of the Labor Party for 30 years, he decided to give the party away, because it is not the Labor Party of old.

The Labor Party is no longer the party that many men and women in Victoria supported for decades on the basis that the Labor Party looked after the workers, those people who are genuine and real. The government has treated those people like scum. The government could not care less about them! The government looks after pot-bellied cigar smokers—or, as has often been quoted, "those beer swilling barons" who are friends of the government. Those people are well known. Who would have thought it possible!

I did not think that I would live to see the day—and I am only 42 years of age—when a Labor government would give away its traditional supporters. The government has wiped them off the agenda. The Labor Party no longer cares for Mr and Mrs Average. It could not care less about the workers of this State, let alone the workers of Australia!

What about the most senior member of the Labor Party in the Legislative Council, the President? He resigned from the Labor Party recently because he could no longer stomach the attitudes of the government. The government is being deserted by its traditional supporters. One notes with interest that the government faces a revolt by its traditional supporters because of its decision to force the establishment of a toxic waste dump on the voters and taxpayers of Diggers Rest. So much for community consultation. The government's attitude is: "You will get it. We know best". Such examples of the government's disdain for the electorate will cost it office at the next election.

The seat of Derrimut is yet another seat that will fall to the Liberal Party at the next State election. The Liberal Party already holds one seat in that area, a seat that is held by the honourable member for Gisborne. I predict that the seat of Derrimut will fall to the Liberal Party by a margin of between 8 and 10 per cent at the forthcoming poll.

The Premier has labelled some of the members of the government backbench as dopey. One can only imagine the reaction if the former Premier of Victoria, Sir Rupert Hamer, had ever called one of his back-bench members "dopey" or worse! There would have been an immediate response from back-bench members!

Honourable members will be aware that, in recent months, the daily press has reported the Premier as having described the honourable member for Warrandyte as "dopey". I do not understand why the honourable member for Warrandyte continues to be part of a government that is now destined to be in opposition for three or four decades after the next State election. Whatever I may say of the honourable member for Warrandyte, I would not call him "dopey".

The rot has set in! The honourable member for Bentleigh has taken a similar view of the government. He has made his views of the government well known. The honourable member is a man who stands up for his principles. He should take his actions a little further and seek to ensure that the promises the Premier made when the Labor Party was in opposition are honoured. That would not be dopey! The point I am making concerns a committee of the Parliament that recommended the disallowance of a regulation; that disallowance would have ensured that the long-suffering taxpayers of the State would be aware of areas in which public funds were being squandered. That committee recommended the disallowance of the regulation.

The Freedom of Information Act is the Premier's brainchild; certainly, he almost single-handedly formulated the original proposed legislation. The Premier promised to give the State "open, honest government". Now the Premier will do anything to keep the truth from the people of Victoria. He will do anything to ensure that the facts concerning the squandering, not of millions of dollars or tens of millions of dollars, but of billions of dollars, are kept secret from the Victorian people.

When the Premier was the Leader of the Opposition he spent a great deal of time trying to prove that the former Liberal government was covering up what he alleged to be its gross mismanagement of the State. The then Leader of the Opposition was strongly in favour of not excluding agencies from any freedom of information legislation!

Addressing an Australian Institute of Political Science seminar at the University of Melbourne on 12 April 1981, the then Leader of the Opposition said that a Senate Standing Committee report on proposed Federal freedom of information legislation recommended that specifed bodies such as investigative agencies be excluded. "We reject this notion," said Mr Cain. He rejected the notion that investigative agencies should be excluded from proposed freedom of information legislation.

It should be clearly understood that these investigative agencies will be excluded from freedom of information, although the Premier is on public record as rejecting the notion a few years ago. However, a group of lawyers interested in freedom of information legislation, known as the Freedom of Information Access Network, has done some interesting research into the Premier's reasons for wanting to make secret information that is supposed to be freely available. They examined the latest annual report under the Freedom of Information Act and found an extremely low request rate for information.

The Auditor-General received only seven requests for the year; it granted access in full to two, access in part to one and denied the remaining four. The Director of Public Prosecutions received seven requests and granted access to five. The Ombudsman was asked for twelve disclosures and agreed to nine.

These are the agencies he now wants to ban yet, in 1981, the Premier could not bear to exclude them from the freedom of information legislation. It shows the man up for what he is. I know I cannot use the word "hypocrite" because it would be unparliamentary so I shall refrain from using it. However, the fact is that his action is hypocritical in the extreme. I am pleased to say that in this, as in all other issues, the community is at last waking up.

Opinion polls ad infinitum are being commissioned at taxpayers' expense by this outward-bound government. One attitudinal survey by ANOP cost $120 000; two further attitudinal surveys cost $88 000; four further attitudinal surveys cost $290 000; and another four cost $359 000. Does anyone ever find out what the hell is in those reports? No way! The government spends millions of our dollars to obtain information that shows the government how badly it is doing and it keeps that information secret. Is that honest, open government? No, it is a scandalous joke! The government should be thrown out of office simply on its broken promises.

Health, education and law and order continue to be in crisis under this government. The crime rate has increased by 62 per cent since the government has been in office. That almost matches the Treasurer's ability to increase taxes. In the electorate I represent, on any given day last month when the police strength in the South Gippsland region was supposed to be 24, it was only 8. This mob promised 1000 extra police. What a joke! I suppose one should not refer to it as a joke; it is a scandal and an outrage that the government did not deliver that promise.

The government is talking about rationalising the State Electricity Commission and 500 jobs will go. The government talks about looking after rural Victoria. It would not know where rural Victoria is. If it is outside of Melbourne, the government could not care less, it does not want to know.

I wish I had 8 hours in which to contribute to this debate so that I could outline a small portion of the bad things associated with the Labor government. I regret that I have only 12 minutes left. I have not started yet on some of the worst aspects of this corrupt government.

I shall start with transport. This is the portfolio about which this mob said, "Give us a go, Victoria, we'll do it better." Through its policies of lunacy it now loses $1000 million

a year in transport. That is not much in the Treasurer's view because he works in billions. He loses billions regularly. He lost a billion on the stock exchange crash and another couple of billion on WorkCare. If one says it quickly, it is only a few billion. It has not been a good year, has it? However, we find that under Labor every year we are losing at least $1000 million in transport and I regret that that figure is escalating.

We find that the government has now fallen out with its working mates who in fact run the government. Just before Christmas Victoria had no trains. What was the train strike about? It was about guards being removed from trains. The government pulled the rug out from underneath the former Director-General of Transport, Mr Russel Ingersoll. He decided that the government could keep its job and he went to private enterprise where he earns four times the remuneration he received from the Labor government. He was committed to fixing up public transport in this State but, when he tried, the government pulled the rug out from under him. That train strike cost the taxpayers of Victoria at least $6 million. What was achieved?

Mr E. R. Smith—Nothing!

Mr BROWN—Nothing is right. Now we have a new Minister for Transport, this white knight as the press regards him, this man who has all the answers. He will depose Cain and will come here to lead the Opposition in this House. I shall love the day that that happens. I shall enjoy having him over on this side of the House while I stand on the other side as the Minister for Transport. He will regret the day he decided to step down from the Legislative Council, because he has caved in. The train guards are still there but the Minister is trying to keep that secret. He does not want the media to run that story.

The fact is that Victoria suffered the second longest public transport strike in history just before Christmas and it achieved nothing. The unions won again, as they have always won under the Labor government. Those guards will stay.

Prior to the pre-Christmas transport strike—in fact it was in August of the same year—another strike of eight days' duration occurred. As part of the negotiations with the union, the then Minister, who is well known as Snappy Tom, said that on the government's own statistics there were 947 surplus staff in the Metropolitan Transit Authority and 675 in the State Transport Authority, a total of 1622. The government has done nothing to remove surplus staff and continues to squander taxpayers' money unabated.

I referred recently to a Federal government report that highlighted that Victoria's rail deficit now outstrips that of New South Wales. That would be possible only under an incompetent, corrupt Labor government. Victoria has a worse loss in public transport than New South Wales. That is unbelievable. The transport system loses $2·6 million a day. During my short address, it will lose something like $40 000. There is no limit to this government's apparent ability to lose money.

The government is touting the story that it is doing it better, that it is getting on top of the problems in the transport system and fixing it up. Yet this current Federal government report shows that Victoria's level of cost recovery fell from 52 per cent in 1980–81—about the time the Labor government came into office—to 30·4 per cent in 1985–86. The Federal report shows that under Labor's policies of insane mismanagement cost recovery has fallen from 52 per cent to 30·4 per cent. That is not my statistical data, that is from the Federal government.

Those statistics also show that the cost recovery level of 30·4 per cent indicates that major improvements are needed. That is something of an understatement. In real terms, since 1980–81, revenue has fallen 13 per cent while expenditure has grown by 47 per cent.

This is the government that has fixed it. I am talking only of public transport. In addition to those horrific statistics, the government has borrowed $3600 million. There is no end to the government's propensity to borrow and put around the neck of the next generation of Victorians and the one to follow a millstone so large and weighty that one wonders whether Victoria will ever recover.

Despite that, the white knight, the saviour, said that the government will spend a further $1000 million to extend the public transport network yet again. The only way the government can do that is to borrow the money, and that will make the statistical data even worse.

The government initiated an early retirement scheme for railway workers. It borrowed $138 million to get rid of men and ended up with an additional 700 employees. What a great scheme! Only the act of a lunatic could result in such a situation.

Last year the government borrowed more than $200 million at interest to pay interest. It is unbelievable that even the Treasurer, who honourable members know knows nothing, cannot understand how he is increasing Victoria's dramatic financial problems. He has agreed to borrow more than $200 million, just for the railways, at interest to pay interest. He should be thrown out of office today. It is a pity that we must wait until the next State election to do that. By the time the Labor Party is thrown out of office, it will have added a further $2000 million to the State's debt.

The government has decided to get into a few high-flying, harebrained schemes to add further to the losses on public transport. It decided to purchase 500 Victorian Football League grand final tickets. Can you imagine your wealth, Mr Acting Speaker, if someone had allowed you to buy 500 grand final tickets? I hate to guess how much a person would make by selling them out the front of the Melbourne Cricket Ground, but it would be tens of thousands of dollars. However, the government lost $28 000 after having purchased the tickets. That is beyond comprehension.

The government has changed the subsidy rebate scheme for school crossing supervisors. That will result in one-quarter of the school crossings that are currently supervised being unsupervised in the years ahead. This is supposedly a caring government. It could not care less. What value can one place on a child's life? Through its policies, the government is knowingly ensuring that school crossings currently supervised when children go to and from school will no longer be supervised. How members of the government can hold up their heads knowing that that is happening is beyond my comprehension.

The government is trying to wipe all the hot issues from the political agenda. Firearms control is off the agenda. I am glad the Premier has entered the Chamber because he has just announced a policy that some people believe will save the livelihoods of tenants on railways land. The government's original policy has been overturned, despite the fact that the Premier said it never would be. The government will now give tenants the right of first refusal and will ensure that their future is secure. The government will also offer those people who cannot prove a case for the right of first refusal to be granted a fifteen-year lease, which will give them security. After that fifteen-year period, it is bad luck for the tenants, but at least they will have security for that period.

Mr Jack Lees of Croydon, at the fall of an auctioneer's hammer, lost life savings accumulated over 40 years when the property he leased was purchased by a developer. He has now been served with a notice to quit. Mr Lees should be compensated by the government. The government has cost him his life savings and has affected his health as well as that of his wife. If the government has any decency, it will ensure that the man is compensated forthwith. That is typical of the way the government is treating the community, but, come the next election, it will be thrown out of office.

Mr E. R. SMITH (Glen Waverley)—The government has made mismanagement a new science. Earlier this week I witnessed that at first hand at a directions hearing of the Administrative Appeals Tribunal. I point out that I will speak merely about the administrative element and will not refer to matters that could be sub judice. This outrageous example of the administration of the government must be heard to be believed.

On Monday this week I appeared at a directions hearing of the Administrative Appeals Tribunal concerning a freedom of information appeal regarding the case of Ron Legge. Counsel for the Attorney-General wasted yet another day of the hearing by putting two

outrageous proposals to the judge. The first concerned the judge himself. Counsel for the Attorney-General, while not objecting to the judge hearing the case, used persuasive language to suggest that the judge should disqualify himself from hearing the case.

At a previous hearing the judge had indicated that, some years ago when he was a solicitor, he had had dealings with the case involving Ron Legge, as have most large firms of solicitors during the past eighteen years when the case has been operative. The judge made that point and asked both parties to think about it and return to the tribunal on Monday to make known their decision.

I should have thought the party I represented would have been the one to object. However, prior to the hearing Mr Legge gave me a letter indicating that he had no objections to the judge hearing the case. I informed the judge of that and he accepted it. Counsel for the Attorney-General then said that he did not object but believed the judge should disqualify himself.

The second point I wish to make about the hearing is the most outrageous aspect of the case. Counsel for the Attorney-General indicated that I could not obtain the documents I was seeking because they had been bundled together and sent to the Victorian Government Solicitor. As all honourable members will be aware, the Victorian Government Solicitor is exempt from the Freedom of Information Act.

The Premier has used the device of declaring sensitive government documents as Cabinet documents and, in turn, they have been classified as exempt documents. Honourable members are aware of a case currently being heard before the Full Bench of the Supreme Court. Naturally, I shall not comment on that case other than to say that the Attorney-General was proposing to use a similar devious device to deny me access to those documents. In other words, any documents that I sought in relation to why the Attorney-General did not lead evidence on 30 April 1987 in connection with the Legge case, which was the reason it was before the Administrative Appeals Tribunal, were denied to me. The reason counsel for the Attorney-General gave was that he had bundled up the documents and sent them off. He gave no reason for doing that.

The judge and I expressed concern about the actions of the Attorney-General and it was proposed by the judge that a point of law be argued. It was suggested that it could take one-and-a-half days but, in his wisdom, the judge said it may take two days. Judge Jones was asked to stand down from hearing the case and a second judge had to be found to hear the matter.

Only three judges of vice-presidential status are available in the County Court and one had already been excluded by virtue of the previous hearing on 30 April 1987; this left two judges from which to choose. Many administrative problems are connected with the standing down of a judge. Judge Jones said that he wanted the case to proceed forthwith and, therefore, another judge would have to be made available. Two extra obstacles were used to create the brick wall that we were told some time ago we would run into.

As outrageous as this may seem to honourable members, this morning when I contacted the office of Judge Jones to ascertain who the next judge would be and on what days the case would be heard, I was told that there had been a change and that the Attorney-General's Department has decided to withdraw its objections—however tenuous they might have been—to Judge Jones hearing my case. The backdown was when the Attorney-General decided, after consulting his counsel, not to proceed with arguing why he was able to send off all the documents that I was seeking. What a device this cunning government has used—this expert government in maladministration!

I am pleased the Attorney-General and the Premier are in the Chamber because they would be aware of some of the developments in this case, but their delaying tactics will not get the government anywhere. Eventually the truth will come out but that must be decided by the court and I do not wish to prejudge the result.

Honourable members should consider the waste of time of the judges and courts in deciding a directions hearing. The tribunal sat on two days; the first was more than two weeks ago and the second was on Monday, when more delaying tactics were used to try to thwart our attempts to obtain the documents relating to why the evidence was not led on 30 April 1987.

This argument was submitted to the court by counsel for the Director of Public Prosecutions, who was also present at the hearing; he agreed with counsel for the Attorney-General that both arguments be promoted—the first to stop Judge Jones hearing the case and the second to try to have the documents declared exempt documents under the freedom of information regulations.

Another delaying tactic was employed when the Attorney-General's counsel was asked whether he would like to put in writing his reasons for denying access to the documents. Counsel for the Attorney-General once again declined the offer. I was also asked to do so, but declined at that stage. The onus was not on me to give reasons for seeking access to the documents; the onus was on the Attorney-General to prove why such tactics were used to thwart the case from proceeding. This was further "brickwalling". An inconvenience was caused to Judge Jones and also the second judge who was put on notice that he might have to hear the case when Parliament rose. That is a further example of erosion of the public's confidence in the criminal justice system.

I have used the Supply debate to bring Parliament up to date with the developments in the Ron Legge case. What a backdown by the government! On Tuesday of this week, in a most humiliating manner, it backed down on the gun laws and it backed down again today when it was not prepared to proceed with the directions hearing at the Administrative Appeals Tribunal where it could have given its reasons for sending the documents to the Victorian Government Solicitor's office. This device was used to thwart my endeavours to obtain the truth.

This case is exercising the minds not only of the legal profession, which is interested in its outcome, but also of the general public. Honourable members would be amazed at the number of telephone calls and letters the Opposition has received from people worried about the government eroding confidence in the criminal justice system. As a member of the wastewatch committee of the Liberal Party, I am appalled at the thought of counsel's fees for the two days wasted in court arguing about methods by which we could be thwarted in our attempts to ascertain why the documents were not made available.

In the area of maladministration, I direct the attention of honourable members to a matter that was brought to my attention this morning concerning the Police Complaints Authority. In the past few days a senior member of the Victoria Police Force was advised that six members were to attend a meeting at 9.30 a.m. today on the twelfth floor of 30 Collins Street where they were to be interviewed about a complaint. The conditions under which the police officers were dragooned into attending were outrageous and indicative of the way the government is administered.

The officer who accepted the telephone call from the authority was told that attendance was mandatory. I have no qualms about that. If any of the six officers who had been subpoenaed to attend were on leave or had rostered days off, they still had to attend. The only excuse that would be accepted for not attending the interview was hospitalisation for a physical or psychiatric condition. What an insult to these men!

The police officers were advised to bring food with them—I suspect they meant a cut lunch—and a book because they could be there for up to 12 hours. Obviously the Police Complaints Authority has not heard of section 460 of the Crimes Act, which provides that no suspect can be held for more than 6 hours. Police officers who are called to a disciplinary hearing are obviously subject to different rules from those that apply to the ordinary members of the public. Those police were also advised that overtime would be paid by the Police Department, if necessary; that is if they had a court appearance today, they had to

change it and, if that could not be done, that the matter would be adjourned until Sunday, 17 April.

The police officers concerned were subjected to those rules because the officer in charge of the Police Complaints Authority is paranoid about all members being present at such hearings. He does not want the officers to communicate with each other. I can understand that he would not want police to communicate if a disciplinary hearing were taking place, but to be so paranoid about police being at the one place for up to 12 hours, when they have other duties to perform, is ridiculous.

The allegations against those police relate to an assault. Some of the police who have been called before the authority would be witnesses and, one or two might be the alleged offenders. A preliminary investigation has already been conducted and Mr Selby, the head of that authority, would not allow members of the police to tape-record the interview that he had with them. However, the officers concerned did tape record the interviews that they had with him and those people who have heard the interviews say that Mr Selby can be heard yelling and screaming at police.

This is another example of the government failing to know what is happening within its administration. It is a further example of maladministration. Members of the Police Force are subjected to a different standard than that which applies to the ordinary citizen, and may be held for up to 12 hours. The government is allowing the authority to conduct itself in a most unsatisfactory manner.

A number of serious complaints have been raised by the Auditor-General in his report to Parliament, and many of these complaints have been highlighted in the papers, on television and on the radio. Police officers are concerned about the administration of X district, which handles such matters as criminal records, fingerprints, property tracing and the modus operandi of the force. I have been informed that X district has suffered a 4 per cent reduction in staff attributed to a lack of funding, which has meant that X district cannot function efficiently. The criminal records section is unable to operate its computer system efficiently.

Members of the Opposition, including myself, visited the police complex in St Kilda Road approximately a year ago to view the PERIN system. During that visit there were thousands of warrants on the floor of the office. We were told the warrants represented approximately $30 million in uncollected fines. I am told that thousands of these unprocessed warrants are still stacked in the police complex and have not been processed because the computer system—which has been operating for approximately twenty years, but has never operated successfully—is operating even more inefficiently. The 4 per cent reduction in police staff has resulted in potential fines, worth approximately $30 million, not being processed. X district has suffered from a lack of adequate funding for the past two years. Operational police are unable to obtain quick checks on any particular issue that they wish to follow through; that is an outrage.

There is no shortage of funds for the government's pet projects, but when funding is required for the administration of the criminal justice system or the Victoria Police Force, the government has no funds. The government's priorities are not directed at the victims of crime but are concerned with the rights of criminals. This scandalous situation in X district of the Victoria Police Force is another example of the maladministration of the government.

The Police Force is also concerned about the lack of visual display units. The equipment is necessary so that police can hook into the computer system. I am told that hardly any of the criminal investigation branches throughout Melbourne have visual display units available to them. The police say the situation is hopeless. A number of officers have had to borrow units from private sources so they can do their jobs satisfactorily. The government calls it "case management", but because of the shortage of funds the Police Force is not operating efficiently. The lack of equipment in the 28 criminal investigation branches in

country Victoria and the 50 criminal investigation branches in metropolitan Melbourne is appalling.

The government claims it is bending over backwards to help the Police Force, but it is not providing the police with the necessary equipment so that they can operate effectively.

The problems with the Administrative Appeals Tribunal highlight the government's inefficient administration.

As I said, last Monday Judge Jones was told by counsel for the Attorney-General that he ought to disqualify himself from the case he was hearing. Counsel for the Attorney-General and the Director of Public Prosecutions were very cunning in that they did not directly say that the judge was unacceptable or that they objected to his hearing the case. This event was associated with a directions hearing and had nothing to do with the merits of the case. I emphasise that the maladministration that occurred related to two directions hearings in the case of Legge.

Counsel representing the Attorney-General and the Director of Public Prosecutions objected to Judge Jones. Counsel for the Attorney-General had the excuse that the documents I was seeking could not be obtained because they had been wrapped and sent to the office of the Victorian Government Solicitor, an exempt agency under the Freedom of Information Act. The government has used every devious trick in the book in an attempt to thwart the Opposition's efforts to have the information made available.

This case highlights the waste caused by the government, particularly through areas of maladministration. The time of Judge Jones has been wasted on two occasions, by objections made by counsel for the Attorney-General, only for the decision to be overturned today. I have contacted the judge's office and discovered that the government has again backed down; that counsel for the Attorney-General has said he will no longer object to Judge Jones hearing the case. There has been a backdown. The legal arguments would have occupied two days in relation to the Attorney-General bundling up the required documents and sending them to the office of the Victorian Government Solicitor.

The government is prepared to use any trick, and this backdown was no less ignominious than was the backdown on Tuesday when the government retreated on action over the gun laws.

The exercise was a waste of time and an inconvenience to the judge. Until he was notified to the contrary yesterday, he had been trying to find a second judge who would be acceptable to all parties. The party representing Mr Legge was the party to the proceedings who should have been objecting, yet we had no objections. That was made perfectly clear, both verbally and in a letter I received from Ron Legge.

Taxpayers' money is being wasted on counsel's fees. Large fees are charged by barristers for the conduct of their business. Funds have been wasted by the government in this fight. It is a case where the government was prepared to have the judge sit for another two days while other cases were being held up. Its attempt to justify it bundling up and despatching the documents to the Victorian Government Solicitor is analogous to the way that the Premier has used the device of placing a top cover labelled "Cabinet documents" over any sensitive document that he does not want made available to any person wishing to obtain that document under the provisions of the Freedom of Information Act.

It has reached the stage where the government will use any trick to ensure that information likely to cause adverse publicity remains hidden. Every trick will be used to stop the proper administration of the criminal justice system.

I repeat that the public perception is that the government's administration of the criminal justice system is being completley eroded. The Victorian public's confidence in the criminal justice system has been eroded to the extent that something must be done.

As the Deputy Leader of the Opposition has just said, it is about time Victorians were given the opportunity to decide the fate of the government. If indications in other States

are any guide, the government will be swept from office. Examples such as those I have used this afternoon should demonstrate to any fair-minded citizen that the government has run its day and that it is not interested in the administration aspect of government. It has allowed completely unsatisfactory aspects to go unchecked. I am pleased to have had the opportunity this afternoon of highlighting some of those aspects so that the public can observe what the government is doing.

Dr COGHILL (Werribee)—I am pleased to join the debate on the Supply Bills, and particularly to follow the honourable member for Glen Waverley because of some of the interesting comments that he made from time to time.

While listening to his comments on the judicial system I was reminded of a speech in a grievance debate a few weeks ago concerning a person whose case he was putting to the House. It was interesting to listen to the reverse case being put by other honourable members who were representing the opposing parties in the legal action in which the honourable member for Glen Waverley was seeking to defend that person.

Mr I. W. Smith interjected.

Dr COGHILL—The honourable member for Polwarth has some difficulty with some of these matters. It appears that the honourable member for Glen Waverley is an advocate for one person in a particular legal action while another honourable member on the Opposition benches is an advocate for the opposing party in that action. It has been interesting to listen to each putting his case, both publicly and in private, and to listen to other members of the Opposition comment on the personal attributes and qualities of both people involved in the legal action.

What has been more interesting is the reference of the honourable member for Glen Waverley to the availability of documents under the Freedom of Information Act. That Act was initiated by the government and passed by Parliament. The Opposition's attitude is curious. Its attitude is hypocritical in that it puts different views publicly and in private.

So far as Cabinet documents are concerned, and the Opposition's attitude on the availability of Cabinet documents in the public arena, it is a reflection of the total incapacity of the Liberal Party when it was previously in government and of its total lack of understanding as to what is required for the effective operation of a Cabinet system of government.

The Opposition does not understand the way in which a proper Cabinet system must operate, that confidential advice must be brought to Cabinet by Ministers and that relevant documents must be protected from being freely available.

It will be interesting to see whether the newly elected New South Wales government follows the position publicly advocated and exploited by the Opposition in Victoria, or whether it does the exact reverse and follows what the Opposition whispers but will not publicly discuss.

The Freedom of Information Act is a valuable instrument in Victoria. It is of assistance to individuals who require records or documents which may mention or concern them in any way. The overwhelming majority of applicants for documents under the Freedom of Information Act are granted access; that is of benefit to those people.

In a recent debate the Premier referred to this significant figures and pointed out that the rate of access granted overall in 1986–87, which are the most recent figures, was 87·9 per cent. Where access was not granted, there were very sound reasons.

Mr Richardson—Mainly political!

Dr COGHILL—The honourable member for Forest Hill says, "Mainly political", but if he examined the facts, he would discover that there are many reasons for information being treated as sensitive. Some cases involve evidence as to the psychiatric state of individuals. I believe it is proper that that information is restricted and carefully controlled,

particularly for the protection of people about whom the psychiatric assessment has been made.

Another important area involves commercial operations which cannot be operated efficiently if sensitive information is made available through documents held by the government. I refer not only to publicly-owned enterprises but also to private enterprises which might deal with government.

It would be absurd if that sort of information were made freely available. Commercial organisations would not bother to negotiate with the government as they would not trust the system. They would not believe it worthwhile to deal with the government if information concerning, say, a contract with the government were likely to become available to their competitors. It could make them less competitive.

I am concerned about the hypocrisy of the Opposition. Members of the Opposition on occasions have said indiscreetly that, if elected, one of its first actions would be to repeal the Freedom of Information Act. It is an absolute disgrace that the Opposition would be prepared to repeal legislation which is of enormous value to Victorians. It is about time the Opposition had the courage to say publicly what it would do with freedom of information legislation if elected to government. I throw out that challenge to the Opposition.

The indications, from private and indiscreet comments made by a number of Opposition members, are that the Freedom of Information Act would be repealed, yet that Act is now being exploited by the Opposition in an attempt to gain some political advantage. That is a disgraceful attitude for the Opposition to take, especially when its members advocate an extension of access to public documents under the Act.

Honourable members had an example of that in a debate in this Chamber a couple of days ago, when the Opposition foreshadowed that it would seek access to documents held by a commercial undertaking. The Opposition would never advocate that for the National Australia Bank Ltd, with its strong links with various members of the Liberal Party. The Opposition would not allow documents to be obtained on application from members of the public, not even the bank's own customers. However, the Opposition believes it is in the public interest that the State Bank should be subject to the disclosure of sensitive documents that it holds.

The challenge is there for the Opposition to accept. For once, the Opposition should come up with a policy—and it has been slow in coming up with policies to date—on access to information held by government. The Opposition should say whether its policy is to extend the availability of documents held by government. It should say whether it will repeal the Freedom of Information Act, which it used for its own purposes and which has been of such value to Victorians who wanted access to personal records in particular, or other records to assist them in their daily lives.

Again, I repeat: the challenge is there for the Liberal Party. It should announce what its policy will be. Does the Opposition have a secret intention to prevent people from gaining access to information about the operations of government in Victoria or information which is important to them?

Mr E. R. Smith interjected.

Dr COGHILL—The honourable member for Glen Waverley always has some sort of conspiracy theory which he is prepared to trot out from time to time. Let the House hear whether he advocates increased access to government documents or whether he believes the legislation should be repealed if there is a change of government. I ask the honourable member whether the legislation that he has taken advantage of should be repealed.

It will be interesting to see what happens in New South Wales: whether the Greiner government will introduce legislation similar to the Victorian Freedom of Information Act, the most extensive freedom of information legislation in Australia—it is only one of

two FoI Acts, the Commonwealth being the other. It will be interesting to see whether Premier Greiner agrees with what the Victorian Opposition is putting privately, or whether he will initiate some token legislation that does not enable access to documents which the Victorian government has freely given.

I turn now to a matter unrelated to that but still on the Supply debate. It concerns the importance of the government making accurate information available to the community on the proposed firearms legislation, regulations and administrative arrangements when the measure is passed in the other House and is brought back to this Chamber.

An enormous amount of false information has been spread around Victoria, and I believe it is intended deliberately to mislead people about the intention of the government, and now the Liberal Opposition, but not the National Party. I refer particularly to an article appearing in the sixteenth edition of *Wake Up, Australia* issued in February this year, which is published by an organisation called the Council for a Free Australia. My advice is that the document is being widely circulated in a number of church congregations, and it purports to put a Christian point of view. It is interesting to look behind the names of people associated with the document. Page 2 is called "Jackie Butler's Page" and the back page has an order form for a number of documents available from the Council for a Free Australia. Both Jackie Butler and the publications listed on that back page are closely associated with the Australian League of Rights. It is about time religious congregations in Victoria understood that this organisation is yet another of the fronts behind which the Australian League of Rights operates.

Mr Hann interjected.

Dr COGHILL—I am interested but not surprised that the Deputy Leader of the National Party should seek to defend Jackie Butler and the Australian League of Rights. It is not difficult to discover documentary evidence linking Jackie Butler with the Australian League of Rights, led as it is by Eric Butler. One has only to read through the list of publications on the back of this document, which the honourable member for Rodney will recognise if he read them, to realise that the publications are associated with the Australian League of Rights. Presumably the Jeremy Lee audio tapes contain speeches by Jeremy Lee, the heir apparent to the leadership of the Australian League of Rights.

Mr Hann interjected.

Dr COGHILL—The Deputy Leader of the National Party may seek to dismiss that evidence, but it is there—it is hard evidence. If the Deputy Leader of the National Party wants to affiliate himself with the Australian League of Rights, that is entirely his right. We have freedom of speech and freedom of association in Australia, and if the honourable member finds some comfort in associating himself with that organisation, that is okay.

Mr Hann—I am not associated with the League of Rights. It is a lie. You are a liar!

The SPEAKER—Order! The Deputy Leader of the National Party knows full well that the expressions he is using are completely unparliamentary. His attention has been directed to the matter before, and I ask him to withdraw.

Mr HANN (Rodney)—Mr Speaker, I am prepared to withdraw that statement, but the statement made by the honourable member for Werribee is untrue. I withdraw, but what he says is untrue.

Dr COGHILL (Werribee)—That is an interesting reflection on someone who purports to support and put forward a Christian point of view. I can only wonder about someone who is prepared to misrepresent the facts, presumably for his own political purposes. I challenge the Deputy Leader of the National Party to examine the backgrounds and associations of Jackie Butler and Jeremy Lee and to find out whether an association exists with the Australian League of Rights. If he observes the normal Christian principles of integrity, he will confirm and acknowledge that such an association exists.

I refer now to the importance of the assistance provided by the government to Roman Catholic and other non-government schools in Victoria. I find it outrageous—and I have no doubt that many people in my electorate and in other communities in which there are Catholic populations and Catholic schools will also find it outrageous—that the Victorian Opposition is proposing to undermine the viability of such schools by taking away funds from the Catholic school system in Victoria for the advantage of the wealthiest and most privileged private or independent schools.

The adoption of such a proposal would have a devastating effect on the children. That is whom we ought to be concerned about: we ought to be concerned about the children who are attending such schools, not about some esoteric principle that the Leader of the Opposition may put on behalf of the Opposition when he goes to a Liberal Party national council meeting. If the view of the Leader of the Opposition were put into effect in Victoria and if it were also reflected in the policies of the Federal government, there would be a dramatic cut in the funds that are essential for the proper education of children attending Catholic parish schools.

I do not know what the objective is of the Liberal Party's slap in the face to Catholic families in Victoria; presumably it is part of some sort of hidden agenda. It is a curious coincidence, however, that within a couple of days of the speech made by the Leader of the Opposition, Archbishop Sir Frank Little was slapped in the face in respect of the Medical Treatment Bill (No. 2) in another place.

The Victorian Opposition has decided to sell out to the Right to Life Association Victoria and to push aside the views of Archbishop Sir Frank Little and disregard his spiritual leadership of the Catholic community in Victoria; and, virtually in the same breath, it is prepared to slap the Catholic school system in the face.

Mr Hann—Mr Speaker, I direct your attention to the state of the House.

Dr COGHILL—On a point of order, Mr Speaker——

The SPEAKER—Order! There is no quorum present. Ring the bells.

A quorum was formed.

Dr COGHILL—I am curious about the Christian, compassionate attitude displayed by the Deputy Leader of the National Party! The curious part is just why the Liberal Party has suddenly taken these two policy decisions, which would have a dramatic impact on this State and which are directed at the Catholic community.

Members of the Opposition have not given any explanation for those policy decisions. There has been no rational defence as to why they have rejected the spiritual leadership of Archbishop Sir Frank Little in regard to the Medical Treatment Bill (No. 2) in another place, and no rationale for what they propose to do to Catholic schools in Victoria.

I assure the House that in my electorate, which encompasses the McKillop Regional Catholic College and the St Andrews, St Peters and St James schools, there will be enormous anguish among the people of Werribee—particularly those who send their children to those very good schools—about the proposal of the Liberal Party to cut their funding and to jeopardise not only the schools but also the very futures of the children who attend those schools now and those who will attend them in the future.

There can be no justification whatever for this callous attitude of the Liberal Party, and I assure the House that my colleagues and I will endeavour to ensure that the Catholic community of Victoria is made very much aware of the slap in the face to Archbishop Sir Frank Little and the slap in the face of Catholic families who send their children to Catholic schools.

The Opposition is advocating that funds that are currently essential for the proper education of children attending parish and other Catholic schools be diverted to subsidise the wealthiest and most privileged schools. It is a shame; it is an absolute disgrace that

anyone should advocate that course. The Opposition is opening up the possibility of religion-based politics re-emerging in Victoria.

I hear an interjection from an Opposition member, "What a conspiracy!" I should like to hear the explanations. Perhaps the honourable member for Glen Waverley will be able to tell me at a later stage, when I have concluded my remarks, just what the rationale is for the slap in the face to the Catholic community by the Liberal Party. Government members know of the Opposition's traditional antipathy for the Catholic community, but we thought that disappeared when the Fedearl Liberal Party allowed Sir Phillip Lynch to become its Deputy Leader. However, it seems to have surfaced again. The Opposition's attitude demonstrates, yet again, the disorganisation within the party, the lack of principle which now abounds, and the lack of any rational basis for its policies.

In respect of the Liberal Party's policy on education, which was released with such fanfare and which received such a dismal reception a few weeks ago——

Mr Reynolds interjected.

Dr COGHILL—The honourable member for Gisborne says that is not true. I challenge him to provide an example of a significant educational authority in Victoria that will defend the Opposition's policy and say that it has merit. In my reading of public comment on the policy, I have not noted any significant support for it.

Of course, there may be a few members of the educational community who are members of the Liberal Party. That is their democratic right, and it would not be surprising to find those sorts of people defending the Liberal Party's policy. However, the fact is that they are not authoritative within the educational community and they are few and far between.

As was pointed out in an earlier debate today, the education policy released by the Liberal Party has no credibility. If one marries that fact with the latest position advocated by the Victorian Leader of the Opposition regarding the distribution of funds away from needy parish schools and into the pockets of the wealthiest and most privileged schools and, more particularly, the wealthiest and most privileged children in Victoria, it is clear that the Liberal Party of Victoria has a hopeless approach to policy.

The final matter to which I refer is the contribution made to this debate by the honourable member for Brighton. I have listened carefully to the honourable member for Brighton as the Opposition spokesman for Treasury matters since he first came into the House. I believe his first speech in this respect would have been on the Supply Bill 1985. Honourable members have noted in speech after speech on Supply and the Budget his tedious repetition.

In 1985, the Liberal Party believed itself on a winner by critising the government on the level of its taxes and charges and, as no doubt public opinion polls suggest, there was significant public concern at that time—but all the honourable member for Brighton succeeded in doing was to take that issue off the agenda because he sent the community to sleep. He has not sustained a plausible argument; and he has been tedious in the way he has repeated himself with his bleatings about the levels of borrowings and expenditure and their implications on tax levels.

The honourable member has not been able to convince the Victorian community about the issue. The Victorian community wants value for its tax dollar. It is more concerned that good services are provided by the government and that government funds are well used than it is about the artificial or the arbitrary level that may be chosen as the optimum level of government taxes, revenue and expenditure.

In contrast, in New South Wales, at least an alternative economic policy was put forward by the coalition at its last State election—whether one likes the policy or not—which added credibility to the Liberal Party. However, the honourable member for Brighton has not offered an alternative economic policy. All that honourable members have heard has been tedious repetition and bleatings about the level of taxes and charges in Victoria. The

people of Victoria have seen through that. They are bored by the honourable member's rhetoric. They have looked behind the rhetoric and seen that a case has not been made.

The government's financial matters have been administered better than ever before by the Treasurer. There is no doubt that Victoria has the best Treasurer now than it has ever had. He is certainly as good as any Treasurer elsewhere in Australia.

The sad reality is that the honourable member for Brighton has failed to discredit the Treasurer because the Treasurer has delivered the goods. The Treasurer has produced the lowest levels of unemployment of any Australian State. The Treasurer has administered the public sector more efficiently than has any other Australian jurisdiction.

The people of Victoria are aware of the benefits of the Treasurer's administration because their young sons and daughters are able to get jobs. The government's economic policies have led to a resurgence in Victorian manufacturing and Victorian exports. A new biotechnology precinct is being developed in Werribee, as well as other high technology abilities which the government is encouraging and which will provide an economic base for the future.

Victorians are aware of the improvement in tourism which is of benefit because it employs people ranging from those in the building industry to waiters and waitresses. A growing number of visitors from other countries and States are arriving as well as there being an increased number of Victorians who are travelling around their State. Victorians are aware of the building work that is going on not only in the central business district but also in other areas such as Werribee and other electorates.

Mr Heffernan—It is private enterprise!

Dr COGHILL—The honourable member for Ivanhoe should realise that the private sector could not develop to such an extent when his party was last in government, when Mr Bruce Skeggs was the honourable member for Ivanhoe. I understand the Liberal Party wants to bring back Bruce Skeggs. The honourable member for Ivanhoe should get together with the Honourable Michael Arnold in another place if he wants to secure his re-election.

The financial management provided in the Supply Bill is an indication that Victoria is doing better than it has ever done before. Victoria is ahead of all other States, which is the result of the leadership of the government and the Treasurer.

The sitting was suspended at 6.26 *p.m. until* 8.4 *p.m.*

Mrs WADE (Kew)—Mr Speaker, I welcome the opportunity of participating in the debate on Supply; but first I wish to say that I am privileged to be here representing the electorate of Kew and to thank the electors who voted for me. I also thank the Liberal Party members who were prepared to put me forward as the candidate for Kew.

The electorate of Kew was established in 1927, and I am the fifth member for Kew. The first honourable member, Sir Wilfrid Kent Hughes, was a Rhodes scholar and an Olympic hurdler, but I am glad to say that those qualifications are no longer required to be the member for Kew. Sir Wilfrid is remembered for his outstanding service in the Army during the two world wars. He was Deputy Premier of Victoria and held a number of portfolios before going to Canberra as the honourable member for Chisholm in 1949.

I had the privilege of working with the next two honourable members for Kew; Sir Arthur Rylah and Sir Rupert Hamer. Sir Arthur Rylah was Deputy Premier and Chief Secretary when I first met him. Over a period of nearly five years I came to admire him for his great ability, his dedication, his energy and his capacity for work. I was also lucky enough to work with Sir Rupert Hamer when he was Minister for Local Government and later Premier. I am well aware of his commitment to improving the quality of life for all Victorians. It should not be forgotten that the Hamer government was in the forefront in introducing legislation to protect the environment. Sir Rupert Hamer also introduced legislation providing for equal opportunity for women in Victoria in 1977.

Prue Leggoe became the honourable member for Kew in 1981. She has given great support to many of the institutions in Kew and to the Kew council during the period when amalgamations were threatened. Many honourable members have told me of Prue Leggoe's valuable contribution to the work of the Parliamentary Social Development Committee. Prue Leggoe was strongly opposed to the Brunswick to Richmond powerline along a proposed route through one of the loveliest natural bush areas of Melbourne, along the Yarra River and Merri Creek. When I inspected the route of the proposed powerline, it was clear to me that it would be an issue, not just in the Kew by-election, but also in the next State election.

I understand that one should not be provocative in one's maiden speech, and I would wish to uphold that tradition. There are, however, two matters that should be recorded: firstly, our natural waterways and native parklands are major assets of the people of Melbourne and of our future generations. They will also be important considerations in attracting tourists to our city. Secondly, the people of Melbourne will require an answer on the future route of the proposed powerline before the next election. The reference to the Scott committee will not satisfy the community unless satisfactory recommendations of that committee have been made and accepted by the government before the next election. The powerline is an issue that will not go away.

I shall now comment on broader issues raised in the context of the Supply Bill; matters of concern to the people of Kew and to all Victorians. They are matters of basic government administration in a number of areas. As I spoke to the people of Kew during the by-election campaign, it was apparent that they were concerned not with the frills and extras that governments can provide, but with the basic services that governments should provide. The measure of good government is the delivery of basic services to the community at a reasonable cost.

Again, I do not wish to be controversial or in any way provocative. To avoid any hint of controversy, I have limited myself to areas where I find that, in principle, I am in agreement with at least one government Minister on a particular matter. I do not intend to try to cover all basic services, but to examine several services of which I have some knowledge.

I begin with an area of particular concern to me and to many members of the public; the prevention and detection of crime. We are all very much aware of the increase in crimes of violence and the lack of resources and manpower in the Police Force. Action must be taken as a matter or urgency, and it will be taken by a Liberal government, but tonight I should like to talk about white-collar crime.

From 1979 to 1985 I was Commissioner for Corporate Affairs. In 1979 the honourable member for Bundoora, now the Premier, made a number of comments about the Corporate Affairs Office in a debate on an Appropriation Bill. I agree with those comments but, before I come to them, I remind you, Mr Speaker, of the importance of the work of the Investigations Section of the Corporate Affairs Office and of one aspect of that work in 1979.

That section of Corporate Affairs Victoria carries out work similar to that of the Fraud Squad. The Fraud Squad, on the whole, investigates fraud and theft of a fraudulent nature committed by individuals.

Corporate Affairs Victoria looks at similar offences in the corporate area. It looks at directors and officers of companies and frauds carried out within a corporate structure.

On the whole, these investigations tend to be more complicated than those carried out by the Fraud Squad and are carried out by investigating accountants. Charges are laid under the Crimes Act as well as under the companies and securities industry legislation.

In 1979 corporate affairs investigators, under the direction of a barrister, Mr Pat McCabe and a senior investigator of the office, Mr David Lafranchi, were involved in the investigation of the bottom-of-the-harbour tax schemes. From time to time the Costigan

commission has received credit for exposing the bottom-of-the-harbour tax schemes but that is not correct. The Costigan commission was not established until after those investigations had been completed by the then Corporate Affairs Office.

The connection between the two inquiries is just that painters and dockers were involved in the bottom-of-the-harbour schemes and their involvement was referred to in the Costigan Royal Commission report when it was made in 1984.

The McCabe-Lafranchi report was completed in 1981 and the public became aware that hundreds of companies, many of them well known, had paid no tax over the preceding years as a result of a scheme whereby companies and their tax liabilities—but not the businesses associated with them—had been transferred to new owners—often painters and dockers and sometimes prostitutes—who had no assets and were unable to pay the tax liability. Meanwhile, the original owners continued the business with a new company structure and that new company was transferred again to painters and dockers or prostitutes at the end of the next year.

The McCabe-Lafranchi report led to dramatic changes in public perception of tax evasion and tax avoidance and it created a climate for major tax reform in Australia. It should be noted that the McCabe-Lafranchi investigation was established under a Liberal government and was specifically authorised by a Liberal Attorney-General—now Deputy Leader of the Opposition in another place.

Not all corporate affairs investigations have such an Australia-wide impact but they are all important to someone. Nothing is more heartbreaking to a family than to lose all of its savings in some business or investment venture, and one can see that when one looks at this morning's newspaper. It is difficult, indeed, to tell people that they must join a waiting list for an investigation to take place and it may well be that no investigation will ever take place.

This brings me back to the comments made by the Premier in 1979. He pointed out that less than one-third of the fees collected by the Corporate Affairs Office were put back into its conduct and management. He contrasted the position in New South Wales where approximately 60 per cent of the fees collected were appropriated for the management and conduct of the New South Wales Corporate Affairs Office. He said:

> The chances of being detected or prevented from committing a corporate crime are much less than they would be in the case of any other crime.

I must agree with the comments of the Premier. Despite the work of highly qualified and competent teams of investigating accountants and their outstanding success in many cases, the resources available to fight corporate crime were a matter of concern to me during the whole time that I was Commissioner for Corporate Affairs.

I should now like to direct attention to the present situation. In 1979 when the honourable member for Bundoora raised this matter he said that the income from the Corporate Affairs Office was $11·5 million to $12 million and that less than one-third of that figure was appropriated for the management and conduct of the office.

When I left the Corporate Affairs Office in 1985 the income of the office was more than $31 million and the amount appropriated for management and conduct of the office was approximately $10·5 million—still one-third of the amount collected, or thirty-three and one-third per cent. There had been no improvement over the three years of the present government.

In 1987–88 it is estimated that $46 million will be collected and expenditure on the conduct and management of the office is expected to be $14·3 million. Taking into account the transfer to Corporate Affairs Victoria of responsibility for cooperatives and building societies, the amount expended on traditional corporate affairs services has dropped to 28 per cent.

It is not surprising to find that there are fewer investigators now at Corporate Affairs Victoria than there were in 1979. In that year there were more than 50 investigators and, on 7 August 1982, the leading article on the front page of the *Age* reported that the Premier, in his then capacity as Attorney-General, had announced the appointment of a further 22 investigators, making a promised total of nearly 80 investigators.

Despite that promise, there are now only 34 investigators in Corporate Affairs Victoria, and substantially fewer investigations are being undertaken. I wondered, when I read this morning's newspapers, whether the promoters of the scheme which is said to have defrauded market gardeners of a large amount of money—$40 million in one report and $27 million in another—could have been stopped at an earlier stage, as they have been in the past, if Corporate Affairs Victoria had been properly staffed.

Of even more concern are the criteria instigated in 1985 by the Attorney-General—who is now the Minister for Transport—and now used to decide whether a matter will be investigated. Companies quite frequently go into liquidation owing several million dollars to creditors. These creditors may be wholesalers, small business people or consumers—purchasers of building materials or services or other expensive items such as carpets. It is not unusual for companies to go into liquidation and within days to be re-established under the same management but with another name, often in the same premises and sometimes with the same stock. The assets of the company which should go to the creditors are often dispersed in favour of the proprietors.

No investigation will now take place unless, to quote the rules, "it appears probable that a serious offence has occurred." The mere chance that an offence has occurred is not enough, nor is the fact that the company has debts of several million dollars.

This is a catch-22 situation. These cases are not like bank robberies; one cannot know whether a serious offence has occurred without some investigation of the circumstances. However, we now have a situation where, instead of investigating where $1 million or $2 million or $3 million of other people's money has gone, a new policy has been adopted with much fanfare. Again quoting from the front page of the *Age*, that newspaper reported that such companies will not get away with such a scenario more than twice. After the second liquidation, directors and officers of a company can be debarred for up to five years from having a third go. Is it any wonder that corporate affairs investigators say they rarely interview suspects who appear to be short of money or assets?

If one steals $1000 in a bank robbery and is caught, one goes to gaol. If one steals $1 million, $2 million or $3 million from one's suppliers or customers one will be given two opportunities to make one's fortune. One may then be rapped on the knuckles and disqualified from adding to that fortune for a period of up to five years.

No-one objects to disqualification in these circumstances but, without a strong prosecution program, this is nothing less than a licence to defraud. I also point out that investigation into the bottom-of-the-harbour tax schemes would not now meet the criteria for investigation. At the time the then Attorney-General authorised the investigation to which I referred earlier, there had been no complaints from anyone outside the Corporate Affairs Office. The investigation was based on the observations of a clerk in the records section who had noted that certain companies ceased to lodge annual returns after a change of ownership and had noted that several of these companies were registered at the same addresses.

Subsequently, these addresses turned out to be vacant blocks of land or addresses that did not exist. Failure to lodge an annual return is not regarded as a serious offence and, at that stage, there was no suggestion of tax evasion. On the evidence available at that time there was no probability that a serious offence had been committed.

In 1979 the Premier said that the chances of being detected or prevented from committing corporate crime were less than for other crimes. In 1988 they are almost non-existent and, if any large-scale tax evasion is taking place in Victoria through company structures in

1988, the new investigation rules will prevent us from ever finding out. The system of investigating white-collar crime is unacceptable to the people of Victoria.

I should now like to turn to another line in the Attorney-General's vote in the Bill—administration of justice. Again, I should like to quote from the remarks of the honourable member for Bundoora, now the Premier, this time in a debate on the 1980–81 Appropriation Bill when he spoke of another basic government service—the legal system.

The Premier is reported as having said at that time:

As a member of the legal profession I am ashamed at the present legal system in Victoria that does not provide a speedy and economical system of criminal justice. It is a disgrace that year after year the State allows persons to be locked in the remand prison at Pentridge for nine or ten months although found guilty of nothing. As long as this system leaves people rotting away in the remand yard month after month because they are unable to be brought before the court, I am not satisfied; no member of the Opposition is satisfied; I hope no member of the government party is satisfied, and the public of Victoria is not satisfied. There are persons on bail who have been waiting two years for their trial to come on, with all the attendant anxiety and concern . . . the situation is not good enough. The fundamental obligation of this and any government is to provide a system of justice in the community.

I quoted the Premier at length because I am unable to find words to better express the effects of delays in the courts.

I should like to direct attention to the following reports. In August last year the *Law Institute Journal* referred to gross delays in both the Supreme Court and the County court. It referred then to the number of cases awaiting hearing in the County Court increasing from 2554 in December 1984 to 13 904 in May 1987.

The recent report of the County Court judges tabled in the House shows that the total number of accused persons awaiting trial on 1 July 1986 was 892. On 1 July 1987 the number was 1004. Civil cases awaiting trial had risen from 9214 on 1 July 1986 to 15 614 on 1 July 1987. The report also states that 63 persons committed for trial before September 1984 were still awaiting trial at 30 June 1987. Those people had been awaiting trial at that time for at least two and three-quarters years.

On 11 March the *Herald* reported that a 29-year-old mother charged with murder had been in Fairlea Prison since July 1987. No arrangements had even been made for a committal hearing and the report stated that such a hearing could not take place before September 1988 because the lists were so jammed. The newspaper report also referred to a case where a man charged with drug trafficking had to wait five and a half years for his case to come to court. He was then not committed on the trafficking charges but was given a six-months suspended sentence on a minor possession charge. To use the Premier's words—five and a half years of anxiety and concern.

Delays in the courts are not the only problem. There are also delays in forensic testing of six to twelve months and cases must wait until results of these tests are available before they can go ahead.

At least one Supreme Court judge has indicated that in the case of inordinate delays, accused persons cannot be held in custody without any assurance as to when committal proceedings will take place, notwithstanding the strength of the Crown case, the seriousness of the offence, and the likelihood of convictions. He said that such persons must be treated as innocent until they are proved guilty.

This is a clear indication that, unless the delays are substantially reduced, persons alleged to have committed serious offences will be released on bail for very lengthy periods while they are awaiting trial. The present situation in the courts is not acceptable to the people of Victoria.

I turn now to the part of the Supply Bill that refers to expenditure in the Treasurer's department. I find, looking back in the debates, that the Treasurer has made remarks in this House which are most interesting. Indeed, in his maiden speech as the honourable member for Dandenong, the Treasurer was more than a touch provocative—one might

even say controversial! He referred to the then Liberal government's Budget documents as being "a mine of misinformation", and he spoke about the need for modern financial management techniques—a phrase with which honourable members have become familiar since 1979. I certainly agree with the desirability of good financial management and informative Budget documents.

The honourable member for Doveton, formerly the honourable member for Dandenong, has been Treasurer for some time now and I was interested to see what reform and modern financial management techniques have given Victorians. First of all, there are certainly more pages in the Budget documents. One can almost say that it is snowing-to use a Public Service term!

Second, one can learn that we have the highest debt in Victoria's history; $23 billion—or double what it was in 1982. I note, in passing, that in the reformed Budget Papers there are different figures for net debt on different pages. For example, at page 139 of the Treasurer's statement for 1986–87, which was published in September 1987 and tabled in this House, the net debt as at 30 June 1987 is shown as $21 182 million. The Treasurer's Budget Paper No. 2, which was also published and tabled in the House last September, shows, at page 76, a figure for net debt, also at 30 June 1987, which is $223 million different! It would certainly help a new member to know which figure the Treasurer thought was the right one!

The quality of Budget documents is not measured by volume or weight; informative Budget documents are essential for members of Parliament and the people of Victoria to judge whether they are getting value for money in the provision of government services and whether, as a Parliament, honourable members are in positions to make informed decisions.

As an example, figures in the Budget documents inform honourable members about the cost of servicing the massive debts. One has to do a bit of searching, and one needs a calculator. The work is not done for one. The total debt is said to be $23 billion. Some $12 billion of that is Budget sector debt. The debt charges on Current Account debt alone total $1158 million.

Let us look at where the Treasurer can obtain the money to pay those charges. Let us look at some taxes and, again, one can find these figures in the Budget documents. An amount equal to the total amount of $1138 million, which is to be collected in 1987–88 by way of land tax, financial institutions duty, petrol tax, tobacco tax, liquor tax, taxes on investments in Tattersalls and the taxes on bets on the totalizator is not quite enough to pay the debt charges in 1987–88 on half the State debt. I should like to repeat that statement, but I shall resist the temptation.

This fact tells honourable members and the people of Victoria that this money is not available for basic services; it is not available to reduce hospital waiting lists; it is not available to get more police on the streets; and, it is not available to reduce delays in the courts. It has already been spent—and spent for years ahead in servicing the debt this government has incurred. In passing, I should mention that we pay the other half of our debt charges in higher electricity, gas and Board of Works rates.

The Supply Bill also deals with health services. I was interested to note remarks made by the honourable member for the former electorate of Heatherton, now the Minister for Property and Services, during his speech in the debate on the motion for an Address-in-Reply to the Governor's Speech as reported in *Hansard* in 1980, about the need to treat illness in the initial stages before intensive hospitalisation is required. He did not refer to the hospital waiting lists, which barely existed in 1980. However, one must agree with his sentiments and I am sure that he also is horrified to see the recent figures released by the Minister for Health which show that more than 25 000 people are now on the hospital waiting list.

I shall skip over the comments made by the current Minister for Housing and Construction when in opposition back in 1980 about massive social problems resulting

from Ministry waiting lists. There were then 22 500 names on the public housing waiting lists; the list now contains 32 000 names.

I find that the debates that occurred during 1980 and 1981 provide interesting reading. I found, for instance, some interesting comments made by the Premier, when in opposition, in December 1980, when he opposed a Bill giving power to authorised officers to demand the name and address of a person in the precincts of a court and to refuse persons entry to a court if requirements regarding search were not complied with. These comments were made shortly after four people were shot and killed in our courts in a period of seven months, one at the County Court and three in the Supreme Court. The Premier believed the Bill was:

. . . an over-reaction to these incidents.

In the interests of not being provocative, I shall not comment on that.

All of the comments to which I have referred and others I have noted are relevant to current concerns of the people of Victoria. I have no doubt I shall have an opportunity of referring to those comments in more detail at a later time.

In conformity with Parliamentary tradition that I avoid controversy in my maiden speech, I have singled out some statements made by Ministers of the government when they were in opposition about the proper provision of significant government services in this State. Where we do part company is that my firm belief is that, as a government, those Ministers have failed to deliver on those views. Furthermore, as a government they espouse policies with which I cannot agree. Those are matters I must leave for other less traditional occasions.

In conclusion, I should like to thank the staff of Parliament, many of whom are old acquaintances. I should also like to record my thanks to my friends and to all others who have assisted me, in particular my husband and children. For my part, I am very much aware of the trust that they and the voters of Kew have placed in me. I shall do my best to fulfil their expectations.

Mr DICKINSON (South Barwon)—I highlight some of the concerns of the people of Geelong in respect of outstanding projects which have not yet been funded. I refer particularly to the establishment of a police headquarters in the City of Geelong; the establishment of a police station in the Belmont–Highton area; the upgrading of the law courts facilities; the fire brigade headquarters for the Belmont area; and the permanent classrooms to be rebuilt at the Oberon Primary School.

Recently a fire destroyed four classrooms at the school and I regret to report that a recent upgrade which cost some $600 000 was destroyed in that wanton fire. The damage was severe; perhaps it was because there was no fire alarm system in that school. On many occasions schools have been destroyed or partially destroyed in the Geelong area because of the absence of fire alarm systems.

There is concern in Geelong that there be immediate funding for facilities that provide care for cancer patients in the Geelong region. For many years cancer patients have had to travel long distances by train, suffering the inconvenience of travelling in railway carriages and waiting at the Peter MacCallum Hospital. A sum of $500 000 has been raised so that work can begin immediately on this worthwhile community project for cancer patients. The community in Geelong is alarmed that the Minister for Health announced that he may fund the project four years down the track, but promptly gave money to the Box Hill area. That is not good enough. The Cancer After Care Group will continue to press for the establishment of a comprehensive treatment facility in Geelong and to promote the provision of such facilities in the Barwon area and the western region so that people may be cared for in the Geelong area. I again highlight the concern of the cancer sufferers of Geelong and the western region and urge the government to consider the immediate funding and planning of the Geelong cancer facilities.

There is also concern in Geelong about ongoing funding for the Geelong Art Gallery and the Geelong Performing Arts Centre.

I have addressed the House time and again on the problem of the waste of public money on the construction of an international water sports and rowing centre at Carrum, when a water sports centre could have been built at half the cost on the Belmont Common of Geelong. Two Labor members of Parliament who visited Nottingham in England came back and reported favourably on the services which included a canoeing course, windsurfing, water-skiing and a fishing area as well as a convention centre. The Belmont Common is a marvellous area on which to place such a facility.

I am heartened by the work of the Geelong and District Water Board which has been involved in replanting trees and improving facilities from Queens Park to the Moorabool Street bridge area. However, the head of the river competition which was recently conducted there is under some threat because of the new Latrobe Street bridge. That competition attracts a great deal of interest and attention, together with the Barwon River regattas and the other major water sporting events which take place there. Although pylons will not be placed in the middle of the Barwon River, the bridge will detract from the overall beauty of the rowing course which has been enjoyed for many years by rowers and visitors.

The people of Geelong have been warned of the risks when they are beguiled into accepting projects that will not be undertaken by private enterprise; the pressure groups in the community who benefit from and promote those projects are not aware of their costs. Cost benefits have been brought to the fore in the fluoridation plant which was to have been built at the considerable cost of $1·8 million. It has not been commissioned because the trade unions have seen fit to support the members of the community who do not want fluoridated water in Geelong. Whether one travels to Bendigo, Ballarat or Mildura, the story is the same—the money has been spent on the construction of the plants which have not been commissioned.

I am reminded that a similar amount of money—$1·8 million—was spent on the Road Traffic Authority building in Geelong. It is a superbly constructed building but I have been told that there are insufficient casual members of staff to service all of the requests. People have complained that the telephones are not answered; that is because the staff on duty are so busy they cannot attend to those calls.

Honourable members have heard in the contributions to debates in recent times—and with the tabling of the report of the Auditor-General—of waste and overexpenditure and the downturn as a result of the stock market crash which resulted in the loss of millions of dollars of community superannuation funds. Honourable members are mindful that the State has a huge debt of $23 billion and that the taxes and charges now being collected are insufficient to fund many of the needed projects in our community.

One may ask, "How does one set priorities?" The Geelong area has a wide industrial base, employing thousands of people in large companies such as Ford Motor Co. of Australia Ltd, Alcoa of Australia Ltd, and many other major companies in the region.

The Liberal Party is concerned about the blow-out in the cost of WorkCare since 1983–84. It is concerned about the cost of the early retirement scheme that was introduced for transport workers. The scheme cost the taxpayers of Victoria $1700 million, which was paid to workers who were retrenched. Those positions were later refilled, at a cost to the government of $87 million; 2565 jobs were created in the State Transport Authority after the previous positions had been abolished!

During the period of the Hamer Liberal government the administration of the transport system was often criticised as being both costly and inefficient. The cost of the transport system administered by the government has increased out of all proportion; and it is a cost that Victorians can ill afford. The blunders of the government in these areas have been spoken of time and again.

I spoke at some length during the debate on the establishment of the National Tennis Centre in Batman Avenue. The siting of the National Tennis Centre resulted in the wanton destruction of parkland in the heart of Melbourne. The tennis centre should have been built on land near the approach to the West Gate Bridge—and the honourable members for Sunshine and Williamstown were in the House to listen to the remarks I made during that debate.

The cluttering of the parklands surrounding the city with a tennis stadium, an entertainment centre and an athletics stadium has resulted in the cribbing of part of Victoria's heritage—parklands that have long been an established part of Melbourne. Victorians will live to regret that, as they will live to regret the destruction of trees that will occur when Punt Road is widened.

The construction of tall buildings in the city centre will dwarf the developments along the Yarra bank. Although the tennis centre, as a piece of architecture, is an ideal construction situated away from those tall buildings, it should never have been sited where it is. The government stands condemned for its wasteful use of the parklands surrounding Melbourne.

I refer to concerns expressed by the Geelong Cancer After Care Group. The group has written to the Minister for Health expressing its disappointment that he has not heeded the concerns of the people of Geelong. The only reply the Minister has made is that, in due time, a cancer treatment facility will be built in the area. That is not good enough! Because of the number of government members who represent the Geelong area, the government has taken the view that it can short-change the people of Geelong. Groups such as the Cancer After Care Group will not accept such an attitude. I shall continue to pressure the government to take immediate action to establish a cancer treatment facility in the Geelong area.

I also direct to the attention of the House the staff of the Grace McKellar Centre who have expressed their concern about the proposed reduction in nursing hours for each patient, particularly as it will affect the Grace McKellar Centre. I note that Her Majesty the Queen will shortly be visiting the centre to meet the retired senior citizens who live at the centre. The Grace McKellar Centre is one of the outstanding retirement homes in Victoria. The staff at the centre have expressed their concerns to the Federal Minister for Housing and Aged Care. They have highlighted the fact that a reduction in nursing hours for each patient to the level proposed by the Commonwealth government would reduce the standard and quality of care provided to the residents of those homes.

Victorian has fewer nursing home beds available for each person aged over 70 years than do most other States. It has been found in research conducted by the Victorian aged services peak council that the existing level of 21·8 hours a patient a week is insufficient, and that a level of 27·3 nursing hours a patient a week is required to provide an adequate level of care. The Commonwealth government, through its care aggregate module, has proposed a national average of 17·1 hours a week for both voluntary and private nursing homes, which includes therapy hours as well as nursing hours.

The introduction of the proposed therapy and nursing staffing levels will have a deleterious effect on the ability of nursing homes to admit the more dependent residents and will reduce the quality of life of present residents. This will add to the existing problems of nursing home-type patients occupying acute hospital beds for lengthy periods and thus increase already lengthy waiting lists. That is a pressing problem for the people of Geelong.

The Premier will open a shopping complex in Geelong tomorrow. The people of Geelong are gladdened by the upgrading of shopping facilities in the city. However, many residents of Geelong are concerned about the future of the Geelong cement industry, particularly those hundreds of employees who are currently employed by Blue Circle Cement Ltd and Australian Portland Cement Ltd. The industry is under threat because of the levels of imported cement—particularly cement imported from Japan and Korea. Cement can be landed in Melbourne from overseas at a cheaper price than if it were railed from Geelong to Melbourne.

Local members have been spoken to by the families of employees and union representatives; who want the government to take action on the matter. I have made representations not only to my State colleagues but also to the honourable member for the Federal electorate of Corangamite. I have asked those to whom I have spoken to take action about the situation faced by the Geelong cement industry.

Some years ago I witnessed the destruction of both the wool and textile industries in the Geelong area when tariff barriers were removed by the Commonwealth government. Many famous woollen mills located on the Barwon River disappeared in a short time once that decision was made.

The Geelong Chamber of Commerce has voiced its concerns to all who will listen to them. It is greatly concerned about the future of the cement industry in the Geelong area. One wonders why the Australian cement industry should be made to suffer because of imports that put at risk both the viability of the industry and the jobs of hundreds of cement industry employees. If such a situation is allowed to continue the flow-on effects will be felt throughout Australia. Many government projects require the use of cement. As a matter of policy, the government should insist that only Australian-made cement is used in such projects.

The Geelong Chamber of Commerce is concerned for the future of the Geelong cement industry and the employees of that industry. The chamber argues that there is an urgent need for an investigation of possible unfair competition from imported cement; and it asks that that investigation be conducted at both State and Federal levels.

Senator John Button has done a disservice to the Geelong community because of the remarks he made recently. Senator Button grew up in the Geelong area and he should know better than to make such comments. He should be mindful of the interests of Geelong residents and should not flippantly turn aside the problems of the area as though the unions were solely to blame for the downturn in the cement industry. The newspapers are often full of articles about the lack of government control over costs and the way in which the trade union movement abuses its power. Spiralling costs are seen as the root of all the evils that beset the declining Australian manufacturing industry. Governments should not be too quick to flick aside industries that have been established for nearly a century.

Governments should also not be too quick to encourage industries based on the microchip and modern technology, because many established manufacturing industries will be destroyed in the process, causing hardship for many people. Those people will gain little consolation from being told that they will have to join the dole queue.

During the six years I have been a member of Parliament I have seen the decline of companies such as International Harvester Australia Ltd, as well as wool and textile mills; and now the cement industry in Geelong is under threat.

The *Geelong Advertiser* has given due emphasis to the concerns expressed by people employed in the industry. I gather that industry workers and company executives have convened a public meeting in the heart of Geelong to express their concerns about the future of the cement industry. I urge honourable members to listen to what those people have to say, and then take appropriate action.

It is ironic that the man who could change the situation is the Prime Minister, the Right Honourable R. J. Hawke, who once stood as a candidate for the seat of Corio. Very little action is being taken at a Federal level by the current member for Corio. Geelong workers are saddened that the Prime Minister, who has been a giant in the trade union movement, has not taken up the concerns of genuine workers in an industry that has served this country well.

I have highlighted the urgent need for the building of police stations in Geelong, Belmont and South Barwon. I remind Parliament of the current position facing the newly built Corio police station. Although built and opened, it is undermanned. That is not good enough. Geelong has a growing crime rate, as is the case throughout Victoria, and its police facilities need to be properly staffed. A few months ago police were curtailed in their operations because patrol cars were grounded through lack of availability of petrol. That is an inexcusable situation.

I have on occasions expressed my concern about the growing crime rate and I know from replies that the police Minister has given that my concern is well founded. In 1985–86 Victoria recorded 105 460 thefts, 76 372 burglaries and 26 334 motor car thefts. In 1986–87 the figures were: 115 889 thefts, 87 045 burglaries, and 32 598 motor car thefts. Over a six-year period, the crime rate has increased by more than 63 per cent.

In other areas of crime, fraud has blown out by some 300 per cent, drug-related offences by hundreds of percentage points and prostitution by 54 per cent. The police cannot do what is required of them by the public if they are denied the facilities and the recruitment of young police constables to carry out this work. Last week a church in the Grovedale area was vandalised by hooligans who were aware of the lack of police presence and the remote chance of detection.

I represent a community that has petitioned Parliament and spoken out on many occasions seeking the early construction of police and fire brigade facilities near the civic centre of South Barwon at Belmont. Two Ministers have said that these facilities will be given priority when funds are available. That is not good enough for a community that has stood the test of time.

I highlight two other smaller areas of concern about which the Minister for Education has been asked to take immediate action. Despite assurances to the contrary, funding for the Geelong Special Development School has been drastically reduced since being taken over by the Ministry of Education in December last year. That has resulted in the loss of an occupational therapist position, and the services of the school's nurse and physiotherapist have been reduced because of insufficient funding. It is feared that the lack of funding for those positions will have a detrimental effect on the educational and physical progress of students at the Geelong Special Development School, some of whom are medically frail and require intensive medical supervision. I ask that the necessary allocation be reviewed to ensure paramedical and ancillary staffing levels to be maintained at the 1987 level.

Similarly, the allocation of ethnic teacher aides to the Barwon South-Western region is needed. Pleas have been made time and again by Mr Frank de Stefano, the President of the Geelong Ethnic Communities Council. It is most unsatisfactory that this region's entitlement cannot be met because of an industrial agreement with the Federated Miscellaneous Workers Union of Australia. Geelong is Victoria's second largest city. It has a large migrant population and ethnic teacher aides are an invaluable asset to its schools. I am sure the Geelong Ethnic Communities Council has already outlined this situation to the government. I ask that immediate action be taken to appoint six ethnic teacher aides to the Barwon South-Western region in accordance with the area's entitlements.

There are many pluses in the building programs undertaken by the government in Geelong. I am mindful of the construction of the new Lara Prison, which will provide a change from the outmoded facilities built 100 years ago. Unfortunately, no government could keep pace with the construction of new prisons and remand centres at the rate at which they are likely to be filled by the courts of the country but the construction of the Lara Prison is a positive step. I hope the government will not redesignate the old Geelong Prison as a museum or a building that should be kept because of its historical origins. Victoria already has prisons, such as the Old Melbourne Gaol, on its Register of Historic Buildings. The old Geelong Prison occupies a prime site on high ground in the heart of Geelong. That site could be used for a cancer hospital because it is near the present Geelong and District Hospital. Alternatively, the site could be used to build a new central police station or government offices.

We should not be carried away with mickey mouse projects by small interest groups who say that particular buildings should be classified as historic when many similar buildings are already on the register. We should be positive in contributing to the development of the City of Geelong by building worthwhile constructions for cancer care, law courts or police facilities.

I am also mindful of the new Latrobe bridge. Unfortunately, although no environment impact statement said it would detract from the lower area of the Barwon and could have been rerouted elsewhere, the bridge is now well under construction and will be completed. The many tourists and people who holiday in the South Barwon electorate will be grateful for a speedier roadway to their coastal resorts. Eventually, a ring road is to be built from Lara around the back of Geelong, over the Ceres Hill, to join up with the highway at Waurn Ponds. That should be constructed within the next ten years.

Geelong has grown from a small city to one of which everyone who lives there is rightly proud. I shall continue to echo the concerns and needs of my constituents and the people who live in greater Geelong and I shall continue to fight for their fair share of the Budget. Geelong has an industrious community and contributes much to the taxes of this State.

Mr GUDE (Hawthorn)—In my contribution to the debate I shall make a quiet and analytical assessment of unemployment in this State. However, it is important to first consider the state of the economy and the needs of the community in a general sense and, more importantly, the personal future of those in the community who are unemployed. By that I mean the hardship suffered by individuals and their families when they are denied the dignity and opportunity of employment.

In considering the state of Victoria, we should realise that approximately 25 000 people are waiting for admission to Victoria's hospitals. The average waiting time is approximately two months. Some 2000 elderly people have had to wait years for admission to nursing homes. I am sure honourable members share my concern at the threat facing nursing homes as a consequence of decisions that have been made in Canberra by politicians who are not in touch with real people.

My concern is shared in this State on a bipartisan basis. The Minister for Health in another place has expressed criticism of and concern about what his Federal colleagues have been doing. I share that concern. During the past six years hundreds of public hospital beds have been closed. The Health (General Amendment) Bill (No. 2), currently being debated, offers more red tape, more delay and, regrettably, no new services.

I shall now refer to transport. Under this government, the public transport debt has increased by approximately 199 per cent. The public transport system is running at a loss of approximately $3·4 million. In 1983–84 its accumulated loss was approximately $949 million. The Victorian public pays for that loss, regardless of whether people use the system. All honourable members recall the crippling, irresponsible and damaging railway strike which occurred at the end of 1987.

With regard to education, I indicate that enrolments in the non-government sector have increased by 32·3 per cent. The people of this State who care about their children and who have the financial means to give them a better education are voting with their feet and removing their children from the State system to a more stable and disciplined system that gives their children better opportunities for employment at the appropriate time.

The government has sold out the schools and the students to teacher unions. There has been an incredible waste of resources and a series of erratic policy changes. All those matters destabilise the system. They indicate that the government has lost its way, that it does not talk to the people and that it does not understand what they want and need. Those of us who are fortunate enough to have children at school or entering the work force are concerned about where Victoria is heading in the education area.

Referring again to the family, I shall comment on law and order. Over the past five years, the incidence of crime has increased by 61 per cent. Approximately 77 major crimes occur every day—that is, one crime every 1 minute and 55 seconds. During the time I have been speaking in this debate, two major crimes have been committed. That should be a matter of concern to the people of Victoria.

The government is denying the Police Force additional powers of fingerprinting. Minimum sentences are not being served and the revolving-door system is in operation. The victims of crime are ignored, and the people who perpetrate crimes are looked after in the best possible way. The Police Force is undermanned and the government appears to be completely disinterested in this matter.

I shall now refer to unemployment. In February 1988, 138 400 Victorians, or 6·7 per cent of the State's population, were out of work. The Treasurer and the Minister for Labour state that Victoria has the lowest unemployment rate in Australia. What is new about that? Victoria almost always had the lowest unemployment rate in Australia. Honourable members should be concerned about the 138 400 Victorians who are unemployed.

The government should be concerned that the unemployment rate has increased over the past six years under the Labor government. In real terms, there are now more people in Victoria unemployed than there were before the Labor Party came to office. Those most affected are young people, recent migrants, women, and people living in inner metropolitan and rural communities. The unemployment situation has worsened under the Labor government. In the last years of the Liberal government, the unemployment rate averaged 5·7 per cent and reached a seasonal low in 1981. During the government's term of office the unemployment rate has averaged 7 per cent.

After the election of the Labor Party in 1982, unemployment increased rapidly, peaking at 9·9 per cent in mid-1983. Between 1985 and February 1988, the unemployment rate has been relatively stable, at approximately 6·5 per cent. However, the mean duration of unemployment has continued to increase and is now more than 41 weeks.

The Liberal Party is concerned that the growing number of long-term unemployed is introducing rigidities to the job market. The area where unemployment is highest is among people without training and marketable job skills. Unemployment has hit the labourers of our community; it has hit the unskilled workers and those who were previously employed in the manufacturing sector. They are having the greatest difficulty in obtaining retraining and, therefore, applying themselves and obtaining new job opportunities.

It is interesting that unemployment is more prevalent in certain areas of the community such as Sunshine, St Kilda, Moonee Ponds and Frankston. Dandenong, Geelong and Ballarat are also affected because of the change in the manufacturing base. I am reminded that the Geelong community was faced with great difficulty when the International Harvester Australia Ltd factory closed and 2000 jobs were lost virtually overnight. The Geelong community takes in the various shires and municipalities that surround it, and all honourable members must appreciate the impact of 2000 jobs being removed from such a community. The same can be said about the other centres to which I referred.

The unemployment rate among young people is high, but it is particularly prevalent among those with no suitable education. Their opportunities of finding work have been considerably reduced. The unemployment rate for females is higher than for males. Long-term unemployed people are typically males over 25 years of age who left school at an early age. When a systematic analysis of the available statistical data from the Australian Bureau of Statistics is made, one is able to categorise the unemployed people of this State.

Although the number of jobs has increased over the past few years—which is good—new jobs have been created in only a few sectors. In the past six years, most of the growth has been in the wholesale and retail industry, where 54 100 new jobs have been created; in community services, where 43 200 additional jobs have been created, and in the general service areas of finance, property and business services, where 32 000 additional jobs have been created. A general decline in job opportunities has occurred in the manufacturing sector, although some sectors of that industry have had a marginal increase.

When one compares the data for 1982 and 1988, one sees that in the first six years of the Cain Labor government, the number of unemployed increased by 16 200. Often the Minister for Labour and the Treasurer tell the community that all is well, that unemployment is decreasing, and that the Labor Party is doing a good job. The truth is that 16 200 more people are unemployed. In the four years to June 1986, gross domestic product increased by 16·2 per cent and national employment increased by 8·7 per cent. Have Victorian job seekers fared all that well during the six years of this Labor government?

In this decade the Victorian unemployment rate has been cyclical, rising to a peak of more than 9 per cent through most of 1983, reaching a trough of just under 6 per cent in mid-1986, and increasing slowly since then to 6·7 per cent in 1988. The average unemployment rate under a Liberal government compared to our present Labor government shows how the real level of unemployment in Victoria has worsened drastically under the Cain regime. The unemployment rate was at its highest during and directly following the recession of 1982–83. The number of available jobs that were actually contracted during that period, despite a fall in the participation rate, increased markedly, especially for women. The average number of hours worked by each employee also fell as employers cut back on overtime. I seek leave of the House to incorporate two tables of analysis.

Leave was granted, and the tables were as follows:

TABLE 1A: VICTORIAN EMPLOYMENT
FOR THE MONTH OF FEBRUARY

Year	*Persons Employed*	*Percentage Male*	*Percentage Female*
1978	1 629 000	63·5	36·5
1979	1 656 200	63·2	36·8
1980	1 689 700	63·1	36·9
1981	1 711 400	63·1	36·9
1982	1 712 400	62·9	37·1
1983	1 673 500	62·7	37·3
1984	1 695 000	62·6	37·4
1985	1 758 400	61·5	38·5
1986	1 826 500	60·7	39·3
1987	1 887 400	60·3	39·7
1988	1 926 300	60·2	39·8

TABLE 1B: VICTORIAN UNEMPLOYMENT
FOR THE MONTH OF FEBRUARY

Year	*Persons Unemployed*	*Unemployment Rate*			*Participation Rate (Persons)*
		Male	*Female*	*Persons*	
		%	%	%	%
1978	104 400	4·5	8·4	5·9	62·0
1979	110 500	5·1	8·2	6·3	61·7
1980	109 500	4·7	8·3	6·1	62·1
1981	116 200	5·0	8·6	6·4	62·2
1982	122 200	5·3	8·9	6·7	61·4
1983	172 500	8·4	11·0	9·3	60·8
1984	180 800	8·7	11·1	9·6	60·8
1985	150 000	7·1	9·0	7·9	60·9
1986	145 700	6·2	9·2	7·4	61·8
1987	150 000	6·3	8·9	7·4	62·6
1988	138 400	5·8	8·0	6·7	62·4

Source:

The Labour Force, Victoria—ABS Cat. No. 6201.2

The Labour Force, Victorian Regions—ABS Cat. No. 6202.2

Mr GUDE—The tables show the unemployment figures year by year to 1988. In 1978, 5·9 per cent of people were unemployed; in 1979, 6·3 per cent; in 1980, 6·1 per cent; in 1981, 6·4 per cent, and that was the last full year under a Liberal government; in 1982, 6·7 per cent; in 1983, 9·3 per cent; in 1984, 9·6 per cent; in 1985, 7·9 per cent; in 1986, 7·4 per cent; in 1987, 7·4 per cent; and, in 1988, 6·7 per cent. One recognises from the table that the number of unemployed people in the State is on the increase and not on the decrease.

I shall put the lie once and for all to the consistently misleading statements made by representatives of the government who callously speak about the unemployed. They do so in a most uncaring and unthinking way that misrepresents the facts and figures. Little regard is paid to the human hardship associated with the unemployed. Unemployment in Victoria is influenced by national trends. Historically, the Victorian unemployment rate has been below the national level and therefore a rate that is below that of other States is far from a new phenomenon. I made that point earlier.

In the past six years of this government, a further 16 500 people have been added to the list of unemployed. The table of unemployed per job vacancies in Victoria for the month of August 1987, as supplied by the monthly summary of statistics of Australia, Australian Bureau of Statistics, Category No. 1304.0, shows that 122 000 unemployed persons were looking for work. The number of people receiving unemployment benefits was 86 853 and the registered number of job vacancies was only 16 500. This table shows that those who are seeking job opportunities face real problems.

I seek leave of the House to incorporate a third table.

Leave was granted, and the table was as follows:

TABLE 3: CONCENTRATION OF UNEMPLOYMENT, VICTORIA
FOR THE MONTH OF AUGUST

	Unemployed Persons		*Unemployment Rate* (%)	
	1982	1987	1982	1987
Age Group:				
15–17 years	18 200	11 700	20·2	21·3
18–19 years	13 300	9 200	12·6	12·4
20–24 years	25 200	23 800	8·9	7·9
25–34 years	23 500	30 600	4·8	5·5
35–44 years	14 700	19 300	3·8	3·9
45–54 years	10 300	8 600	3·5	2·8
55 + years	4 900	6 900	2·7	3·6
Place of Birth:				
Asia	9 100	13 900	12·1	14·1
Europe	23 500	24 100	5·5	5·8
Australia	73 000	92 900	5·7	6·3
Place of Residence:				
Inner Melbourne	n/a	11 900	n/a	7·6
Eastern Melbourne	n/a	28 200	n/a	4·7
Outside Melbourne	25 100	46 900	5·1	8·3

Source:

The Labour Force, Victoria—ABS Cat. No. 6201.2

The Labour Force, Victorian Regions—ABS Cat. No. 6202.2

Mr GUDE—This table deals with the concentration of unemployment in Victoria and puts in percentage terms the number of people affected by unemployment in April 1987. The figures show that approximately 48 300 or 69 per cent were unemployed for more than six months. Of those, 59 per cent were males and 60 per cent left school aged seventeen years or less without completing their final year. The figures reinforce the point I made earlier that the people who have the greatest difficulty in obtaining employment are those with the least skills. If that is not a pointer to both the government and the Opposition alike when forming their policies in this area, I do not know what is.

We need to assist young people to further their education before seeking employment. For those who leave school, we need to find an effective means of functionally retraining them so that they retain their dignity while seeking and gaining employment.

The figures show that, in April 1987, 68 100 females were unemployed. Of those, 30 per cent were aged between fifteen and nineteen years; 35 per cent lived outside Melbourne; and 34 per cent were looking for part-time employment. That is undeniable. A vast number of women leave the workplace to marry and to have families. Because of the pressures, the growth in imposts, the problems of taxes and charges, and the problems of existing in society these days, many seek part-time employment but their prime responsibilities are still to their families and their husbands. They take on the added task of part-time employment, if the opportunities present themselves, to add to their families' finances and at the same time part-time employment provides them with the opportunity of being retrained and of reassessing the workplace. I have the greatest admiration for these women.

The table shows that, of those unemployed, approximately 44 000 were born outside Australia, of whom 41 per cent arrived in Australia after 1975 and 32 per cent were born in Asia. This indicates the problem we have in assisting these people to assimilate quickly and effectively. The language barrier must play a part but these people must come to grips with a new community and find an effective means of acceptance in the work force. Special emphasis needs to be placed in that area.

Finally, table 3 shows that approximately 35 800 unemployed were aged between fifteen and nineteen years. Of those, 57 per cent were female; 51 per cent were looking for their first job; 34 per cent lived outside Melbourne; and 56 per cent were aged between fifteen and seventeen years. Those sorts of figures indicate the real problems facing the community.

In my view there are two principal causes for the relatively high rate of youth unemployment: the first is the result of structural changes in the work force with more mature and skilled employees being in demand; and, secondly, the higher participation rate of married women—this rate has increased from 25 per cent in 1965 to 40 per cent in 1975 and to more than 50 per cent in 1987—has provided a new source of labour that has tended to crowd out employment opportunities for the young. That aspect should not be overlooked.

Young people tend to miss out on jobs because of their lack of experience and training and often this means that older people are more attractive to employers as they cost around the same in wages, with adult wages being paid to people aged eighteen years; the older people cost less to train as most are already well trained and can often work with less supervision.

I am gravely concerned about the older people who find themselves unemployed because older persons of modest educational means, especially non-skilled or semiskilled persons aged 35 years or more, have more difficulty in taking up training opportunities that may be presented. Under this government the education system has been constantly changing. Because it is so topsy-turvy, it is difficult for these people to be retrained to take up any employment opportunities that might arise.

Older people tend to be the hard-core unemployed. They are the people who have the greatest social problems. In the main, they have young families, the added problems of young people growing up, children going to school, being sick, holiday problems, the need for clothing for their families, and all the other things that impact on a family.

One of the major items that impacts on families is the grocery bill. Honourable members know how that bill has grown over the past six years of Labor government, notwithstanding the modern accounting techniques and the prices peg of the average basket of groceries. The government has exercised legislative control over the so-called prices peg basket of groceries but, in fact, many of the items in supermarkets are of a different size and type and do not come under the products that are listed for the prices peg basket, but they are still products that the average family needs to purchase.

I seek leave to have incorporated in *Hansard* a table showing the duration of unemployment in Victoria for the month of April 1987.

Leave was granted, and the table was as follows;

TABLE 4: DURATION OF UNEMPLOYMENT, VICTORIA
FOR THE MONTH OF APRIL, 1987

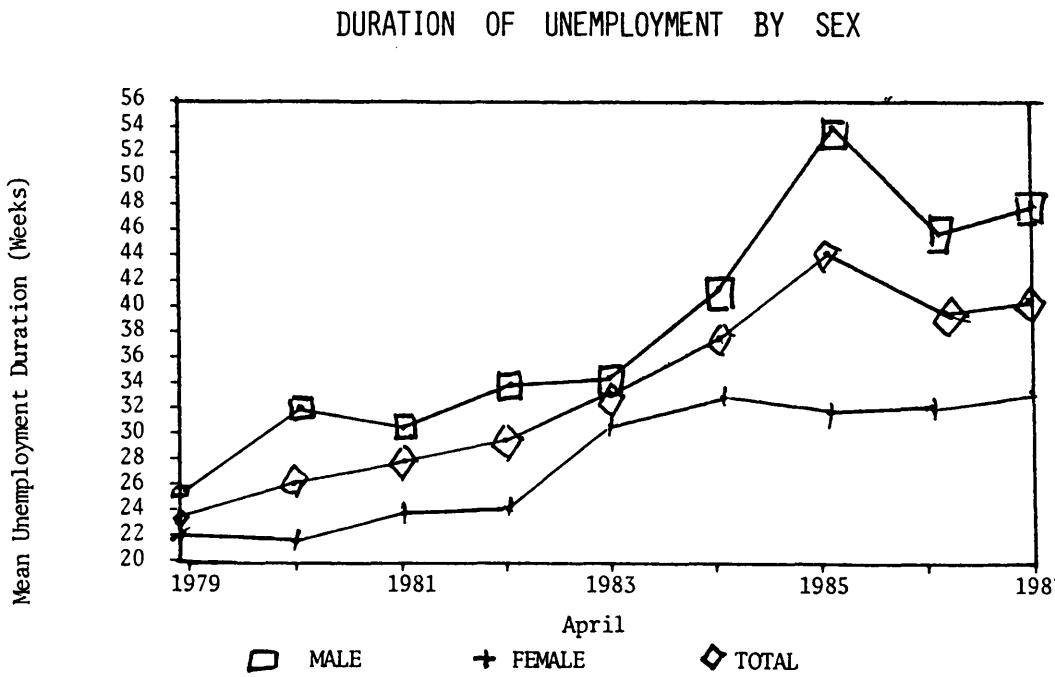
Age Group	*Mean Duration of Unemployment (Weeks)*
15–19 years	26·5
20–24 years	36·0
25+ years	50·7
Total	41·3

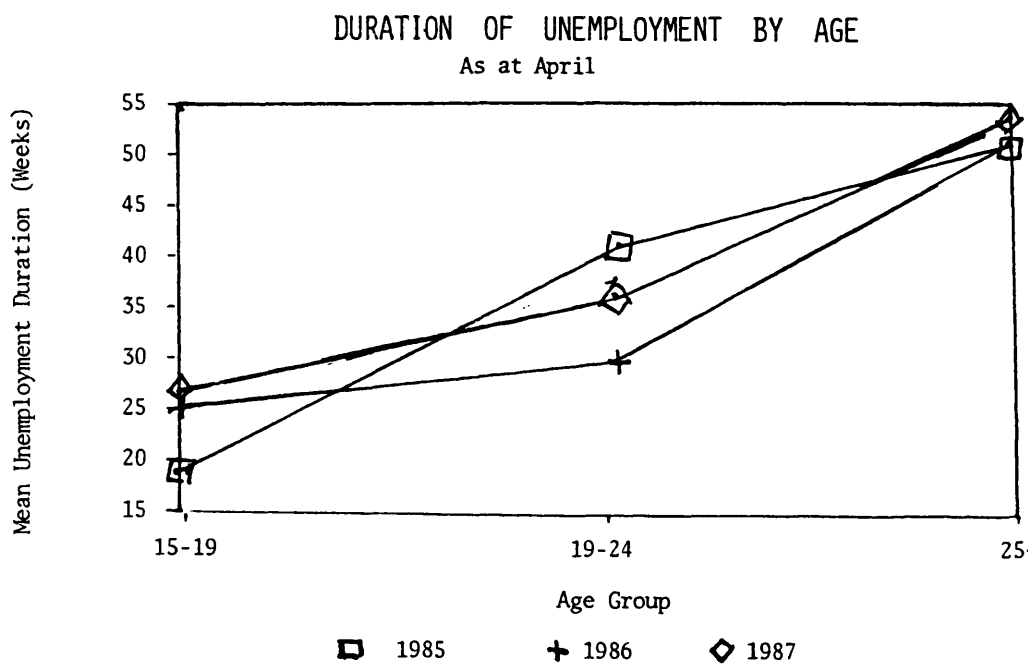
Source:
The Labour Force, Victoria—ABS Cat. No. 6201.2

Mr GUDE—The table shows the mean duration of unemployment on a weekly basis. Persons aged between 15 and 19 years were unemployed on average for 26·5 weeks; persons aged from 20 to 24 years were unemployed on average for 36 weeks, and the figure for persons 25 years and older was 50·7 weeks. The table reinforces what I have been saying.

I seek leave to have incorporated in *Hansard* charts showing the duration of unemployment by sex and by age.

Leave was granted, and the charts were as follows:





Mr GUDE—I seek leave to have incorporated in *Hansard* a table showing unemployment on a regional basis. The document refers to the number of people in an employment district and shows the number of persons registered as unemployed and the average wait for jobs in weeks. The source is the Commonwealth Employment Service statistics, December 1986.

Leave was granted, and the table was as follows:

TABLE 6: REGISTERED UNEMPLOYED BY CES OFFICE AS AT DECEMBER 1986

Employment District	*Registered Unemployed*	*Average Wait (Weeks)*
Dandenong	6 517	78
Preston	6 106	88
Ballarat	5 860	93
Sunshine	5 509	173
Frankston	4 720	132
Fitzroy	4 614	77
Bendigo	4 379	41
Geelong	4 218	77
Glenroy	4 148	69
Ringwood	4 090	66
Shepparton	3 924	38
St Kilda	3 913	170
Footscray	3 840	61
Brunswick	3 833	87
Richmond	3 744	105
Northcote	3 651	106
Cheltenham	3 476	35
Box Hill	3 433	60
Moonee Ponds	3 277	168
Mildura	3 244	54
Prahran	3 243	58
Oakleigh	3 266	41
Camberwell	3 121	67

Source:

CES Statistics, December 1986

Mr GUDE—As at December 1986, in the employment district of Dandenong the number of registered unemployed was 6517 and the average wait was 78 weeks. In the employment district of Sunshine, there were 5509 registered unemployed and the average wait was 173 weeks. In the employment district of St Kilda there were 3913 registered unemployed and the average wait was 170 weeks. In the employment district of Moonee Ponds there were 3277 registered unemployed and the average wait for a job was 168 weeks.

In addition to the 136 900 unemployed persons as at April 1987, whom the Australian Bureau of Statistics defines as looking for work and ready to start, there is at least an

equivalent number of people who say they want to work but who are either not looking for work or who are not available to start immediately.

According to the Australian Bureau of Statistics, the unofficial number of unemployed persons in Victoria as at March 1987 actively looking for work but not available to start immediately was 1600. The number not actively looking for work and available to start within four weeks was 164 000 and those people not available to start work within four weeks numbered 56 300. There is a massive number of people who are unable to be employed.

Many people want part-time jobs and the majority of them are women or those in the fifteen to nineteen-year age group. Women represent the largest segment of unemployed, which is a major concern for those who have a genuine interest in unemployment.

Since the Cain Labor government was elected in 1982, unemployment has grown from 6·1 per cent to 6·7 per cent of the work force. The average duration of unemployment has increased 64 per cent to 41 weeks. People now have to wait twice as long to obtain jobs. In April 1987, 24 per cent more Victorians were out of work than in April 1982. The average unemployment rate under the Labor government is a full 1·7 per cent above that for the last four years of Liberal government. Unemployment throughout the Labor government's term of office has been higher than when it took office and, after stabilising at an unacceptably high level, unemployment has again started to rise. These are grim statistics for those people who want the opportunity to work.

I refer to honourable members some of the financial disincentives for people who want to work. Some of these matters may be out of the control of the Victorian government but, nonetheless, they should be of interest to the government. The welfare system penalises people who elect to go from unemployment benefits into the work force. A clerk with a dependant wife and two children could start work and earn $289 per week as at April 1987, under the Australian Clerical Officers Association Award. Alternatively, that person could get an unemploment benefit of $211.10 cents a week, only $78 less. This small disparity narrows to virtually nothing after various other costs and benefits are taken into account. The worker pays taxation, the Medicare levy and approximately $38 a week as the cost of working: travel cost of $3 a day; union dues of $150 a year, and incidentals of $1 a day. The unemployed person receives additional benefits of approximately $12 a week, made up of rental assistance up to 50 per cent, a reduction in rates, 20 per cent off his winter energy bill, 33 per cent off his telephone rental bill, plus a wide range of other concessions. It is not hard to understand why some people choose not to go back into the work force. They may want to work, but there is no financial incentive to do so.

I remind honourable members that there has been a savage growth in the rate of unemployment under the Labor government from 6·1 per cent to 6·7 per cent. Victoria now has 16 400 more unemployed today than when the Labor Party came to office. Those figures illustrate the nonsense the Labor government spreads about its achievements!

Mr REMINGTON (Melbourne)—I must convey my sincere congratulations on the maiden speech made to the House tonight by the honourable member for Kew. I observed her closely. She certainly knew her subject and delivered her speech with great confidence. Obviously she had thoroughly researched the contribution she made. I am sure the Opposition, weakened as it is, will be strengthened by her presence in the House. Also, I was pleased that she paid a tribute to the former honourable member for Kew, Ms Sibree.

It is an indictment of the Liberal Opposition that a member of Parliament like Ms Sibree was undoubtedly driven from politics by the very strong sexist attitude adopted by the Liberal Party, not only in this House but also in the other place. Certainly the new member has a daunting challenge ahead being, as she is, one woman in a Liberal Opposition totalling 30 men and one woman. She remains the sole woman in the opposition ranks of 41. It is an indictment of the Opposition that there should be only one woman representing the Liberal Party in this House.

So far as the Liberal Party in particular is concerned, women in politics are used purely as political decoration. That is the recognised attitude of the Liberal Party on women. Women in the Liberal Party are exploited by men as a decoration.

Mr Gude—What a load of rubbish!

Mr REMINGTON—The honourable member for Hawthorn says that the statement made by me, that women are political decorations, is a load of rubbish. He rejects that women in politics are exploited as a political decoration. That is the Liberal Party's attitude towards women.

They are not my comments. I am sure the Honourable Rosemary Varty in the other place will have the opportunity to put her views to the honourable member for Hawthorn because what I have just read to the House is an extract from a report on the Channel 10 news at 6 p.m. on 11 April. That report stated:

Mrs Varty told a Liberal women's conference that women in politics were used as political decoration.

. . . women in politics are exploited by men as political decoration.

I think we're not taken seriously enough. I don't think there is sufficient recognition of the skills that we have in the Parliament.

That was said by the Honourable Rosemary Varty.

Mr Gude—You don't have women good enough to be Ministers in this place!

Mr REMINGTON—That is a comment by the Honourable Rosemary Varty. When challenged about her comments the Leader of the Opposition said about her, on the same news program:

Certainly the opportunity is there for her . . .

Not "Mrs Varty", but "for her"—that is a really sexist comment—

. . . to make a contribution and to be listened to as seriously as everyone else. It depends I guess on the content of what she's saying.

What a put-down by the Leader of the Opposition of the Honourable Rosemary Varty, one of the two female members of the Liberal Party in the other place!

When one considers the Honourable Rosemary Varty's concern on attitudes towards women, one should examine this side of the House, with eight women representatives. They are certainly not used as political decoration in the Cain Labor government. There is certainly no question but that they are taken seriously; in fact, they are taken very seriously because two of the women in the Upper House are Ministers and are outstanding in their portfolios. One of them is coming to this House after the next election and will be a Minister on this side of the House. The honourable member for Hawthorn certainly will find himself on the very rough edge of her tongue when she arrives because she is not a political decoration; she was elected as a Minister because of her skills.

Eight female members are on this side of the House. Firstly, there is the honourable member for Morwell: she is caucus secretary to the party and was a regional officer, a school teacher and worked with Community Services Victoria. Not only did she win that seat but also in the preselection battle, which is sometimes harder in the Labor Party than the election itself, she beat three outstanding male candidates in order to obtain the party's endorsement. One could hardly say that the honourable member for Morwell was a decoration!

One could hardly say that the honourable member for Morwell was a decoration, nor would one dare say that the honourable member for Thomastown could not be taken seriously by the government. Before coming into politics she worked as a research officer for a Federal member of Parliament.

The honourable member for Frankston North was a member of the Frankston City Council and is certainly taken seriously in this House, as she was on that council. The

honourable member for Wantirna was a psychologist with the Ministry of Education, and was an elected office bearer in the Victorian Teachers Union.

As one progresses through that list it is evident that the women representatives on the government side are here not because they are token women, to which the Honourable Rosemary Varty quite rightly objects, and not because they are a political decoration but because they won preselection on account of their work in the Labor Party; also, because of their capacities and abilities, and because they proved those abilities before they came to and since coming to the House.

The honourable member for Box Hill defeated a Liberal Party member to win that seat for the government. She had worked as a secondary school teacher. No-one would dare suggest that the honourable member for Ringwood could be considered a political decoration in the same way as the Honourable Rosemary Varty feels aggrieved at the sexist manner in which she is treated by her party.

One could continue with that list. The honourable member for Greensborough is vice-president of the Victorian branch of the Australian Labor Party and was the first woman to be elected a Minister in the Legislative Assembly of the Victorian Parliament. No-one would dare suggest that she was a political decoration or that she was not taken seriously.

It is a sad indictment on the sexist attitude of the Opposition that there is now only one woman representative on that side. The Honourable Rosemary Varty is now the longest serving woman Liberal member in the present Victorian Parliament, having been elected in 1985. Although she has hardly arrived, she is the longest serving Liberal woman member in this Parliament! The Liberal Party has a highly sexist attitude and approach towards women in politics.

To return to the Bills being debated before the House——

Mr J. F. McGrath—That is a good idea!

Mr REMINGTON—How do the people judge or perceive the government's handling of the finances of Victoria, highly successful though it may be? Do they see the government as performing properly?

Mr J. F. McGrath—Go to the polls and find out!

Mr REMINGTON—That is exactly what I have done. I have the poll from the *Bulletin* of 19 April. There was a massive swell and reaction that spread across New South Wales, South Australia, Queensland and Western Australia—although it is only a temporary swell, nonetheless the wave went right across the countryside—and there were 10 per cent, 12 per cent and as high as 18 per cent swings in the period this poll was taken. If one analyses the figures for a March election in Victoria, which would be in what one might consider to be a hostile environment, the primary vote for the Labor Party was 45 per cent and the vote for the Liberal Party was a mere 35 per cent, a decrease of 2 per cent.

Only 35 per cent of Victorians have confidence in the Liberal Party to the extent that they would be prepared to cast their primary vote for that party. In what one might describe as a hostile environment to the Labor movement, the Victorian Liberal Party lost 2 per cent of its votes. That is how Victorians judge the financial management and performance of the Cain government.

The percentage of votes for the National Party stood still at 9 per cent. I doubt whether the National Party received the support it thought it would. The rednecks in the country did not support the National Party to the same degree on guns that it thought they would. The National Party thought it was onto a political winner.

Mr J. F. McGrath—Why don't you get off the tram tracks and find out for yourself?

Mr REMINGTON—I have never been overtly critical of the National Party. Honourable members know where that party stands on law and order and violence. The National

Party wants a gun to be available in every house. The Leader of the National Party said, "If my wife, my son, and my daughter want guns, why should they not have them?"

The DEPUTY SPEAKER (Mr Fogarty)—Order! Will the honourable member move away from guns for a while? The proposed legislation is in the other House.

Mr REMINGTON—I shall return to how Victorians judge the Cain Labor government; I refer to its economic performance, and that is directly relevant to the Bills now being debated. Some 5 per cent of the people polled expressed no opinion. If we were generous and split that vote in half, the Labor Party vote would move up to 47·5 per cent. The vote for the Australian Democrats was 6 per cent, and traditionally the Labor Party receives 60 per cent of its second preferences, so that would be another 3·6 per cent.

I am concerned about the credibility of the government and whether Victorians believe its economic management of various items contained in the Supply Bill has been sufficient. I remind the House that after the distribution of preferences the Labor Party would have received 51 per cent of the vote, with the Opposition on 49 per cent, a position totally unchanged since the last State election three years ago.

When one examines the economic management of the government, it is little wonder that Victorians have retained their confidence in the Cain Labor government. If one examines law and order, which is an area in which this government has a firm commitment——

Mr Williams—And a shocking record!

Mr REMINGTON—The honourable member for Doncaster knows better than anyone why the Liberal Party went soft on law and order. The Labor Party has not gone soft on law and order. It is as committed to law and order now as it was when it won office six years ago. The honourable member knows more people inside the pen than most people know outside. He has lots of mates doing time in prison.

Honourable members should consider the government's achievements in law and order. The Victoria Police Force now has the greatest number—numerically—of police officers than ever before.

The ACTING SPEAKER—Order! The honourable member is not reading his speech, is he?

Mr REMINGTON—No, the day I read my speech, you can bury me.

The ACTING SPEAKER—Order! You have said that to the wrong person.

Mr Cooper—He is holding a plot for you.

Mr REMINGTON—Mr Acting Speaker, I withdraw that remark, in deference to your position. I did not really mean it. I had no intention of referring to that very famous committee which you chair so very well, indeed. Despite all the hopefulness swelling in the breasts of honourable members opposite, a number of them will be buried after the next election. Victoria now has the greatest number of police in its history. More importantly, it has the highest ratio of police to Victorians than it ever had when the Liberal Party governed this State. Honourable members will be aware of the magnificent record and strong support the government has given to the Victoria Police Force.

Mr J. F. McGrath—That is a joke.

Mr REMINGTON—National Party members say that is a joke. They want to put a gun in everyone's hands, and then say it is a joke when the government offers more support to police officers. The National Party wants to give everybody a gun. It wants to encourage homicides, suicides and an increase in violence. The Liberal Party went soft on the firearms legislation.

Mr Cooper—Tell us about your big backdown.

Mr REMINGTON—The honourable member interjecting led the infamous debate in support of the gun lobby. To his great discredit——

Mr Cooper—Did you back off? Of course, you did, because you're weak!

Mr REMINGTON—What seat does the honourable member represent?

Mrs Setches—Mornington.

Mr REMINGTON—The honourable member for Mornington is one of those innocuous members. I am getting old, Mr Acting Speaker, and cannot remember names so well. But I shall put it on the *Hansard* record so that when people read my contribution they will know that the honourable member for Mornington led the gun lobby in its fight against law and order. It is a shameful act in which the honourable member has been involved. Some 200 000 guns will remain in Victorian households—that is one of his greatest achievements! The honourable member for Mornington may consider that to be great, but I consider it shameful. Not only did the government take a tough stand on guns, but it also provided the Police Force with additional helicopters, cars, and boats. There has also been a massive upgrade in the provision of computers and communications.

Mr Cooper interjected.

The ACTING SPEAKER—Order! I warn the honourable member for Mornington to cease interjecting.

Mr Cooper—He is provoking me.

Mr REMINGTON—The honourable member for Mornington knows full well that what I say is true. Honourable members will recall that he is the famous singing telegram boy.

One in every seven police stations has been rebuilt or replaced since the Cain government came to office, and that is a most outstanding record. The government provided the Victoria Police Force with something that the former Liberal government never delivered—the 38-hour week—and also the best superannuation scheme in Australia, with early retirement benefits at 50 years of age. I have no doubt that no optional early retirement scheme for persons aged 50 years, such as that which has been provided to the Victoria Police Force, exists anywhere else in Victoria or, in fact, in Australia. The police have also been assisted with the introduction of the Crime Stoppers and Neighbourhood Watch schemes.

I note that my time is running short—I have only 9 minutes left to complete my remarks.

The ACTING SPEAKER—Order! Would the honourable member like a drink?

Mr REMINGTON—No, thank you, Mr Acting Speaker.

Mr McNamara interjected.

Mr REMINGTON—I note that young Rambo, the honourable member for Benalla, is in the Chamber; he is out of his place and out of order. That honourable member wanted to create young Rambos. He wanted part of the education budget to be used to train every boy and girl in secondary school in the use and handling of guns. That is what he wants—young Rambos! If his proposal were implemented, there would be an arsenal at each school. However, the government has provided funds in the Supply Bill for sensible purposes, not for what the Rambo from Benalla wants such funds to be used.

The ACTING SPEAKER—Order! The honourable member for Melbourne should refer to the honourable member for Benalla by his proper title, not as Rambo.

Mr REMINGTON—Not as Rambo? The honourable member for Benalla must have disappeared because I see him not! He is out of place and out of order, would you not say, Mr Acting Speaker?

I refer now to housing in my electorate. Approximately 17 500 people are living in high-rise Ministry of Housing and Construction estates, which were bestowed on the landscape by the previous Liberal government. I am pleased that this year $30 million has been spent on estate improvements, and on providing proper benefits, facilities and living conditions for people in such estates, to improve the condition of the estates that were left to the Labor government by the previous Liberal government.

As a result of the adverse economic situation in Australia, brought about primarily by circumstances overseas, people living in Ministry estates have found themselves in difficult financial circumstances. There is no question that a Liberal government would have kicked them out onto the street. The Opposition says it would not have accumulated the liabilities that this government has, but at least this government has kept those people in homes because it is concerned about the financial position in which they have found themselves, through no fault of their own.

Mr Cooper interjected.

Mr REMINGTON—The honourable member for Mornington says that is rubbish. I point out that this government has increased Victoria's public housing stock by 3000 in the current financial year. That is the largest increase in public housing stock since the Olympic Games were held in Melbourne in 1956. It is a tribute to the Cain government that it has been able to provide the largest amount of accommodation to people seeking public housing since that time. In fact, in the six years of the Cain government, it has provided additional accommodation for some 15 500 residents.

I am sure the honourable member for Brighton will long live to regret the stupid, inane comment he made yesterday when he referred to the Labor government's very outstanding and highly respected Treasurer with his mug punter jibe. The business community has had the shadow Treasurer under some observation—it could not quite work him out. However, it certainly worked him out last night when he made the infamous jibe in the media. I am sure he would have lost support from the business community, which holds in very high esteem the Victorian Treasurer, the honourable member for Doveton.

Honourable members should bear in mind that the Labor government inherited a deficit of some $400 million. Not only did the former Liberal government clean out the cupboard when it left the Treasury—when it was kicked out—but also it left this State in hock to the tune of some $400 million. Yet the Liberal Opposition thinks it can govern the State again!

I am pleased that today's *Bulletin* shows that there has been no shift of support to the Liberal Opposition in the past six years; and I expect there will be no such increase in support for the next six years either, because all that the previous Liberal government could offer were broken promises and agreements. That was one of the reasons that it was defeated by the Labor Party.

I used to live in Box Hill and I know that, from about 1907, when problems with railway gates in Box Hill arose, at every election the Liberal government promised to lower the Box Hill line and fix up the problem with the gates. Of course, it took the Cain government to bring about that change.

I talked about broken agreements. The Liberal Opposition is nowhere near obtaining the right to govern this State again. Not only does it break its promises to the electorate but also it breaks its political agreements in this very Parliament. It did so on the powerline issue; it supported the original proposal put by a joint Parliamentary committee; the Liberal Party members of that committee supported it but, for crude political purposes, they switched.

The Opposition also switched on the gun law issue. It pays out to the highest bidders, to those who will give it the most money; that is how the Opposition gained the support of the gun lobby. Margaret Tighe was made to appear an absolute fool in tonight's *7.30 Report* with regard to the Medical Treatment Bill (No. 2). That is whom the Opposition is in bed with—Margaret Tighe, who is in bitter opposition to Archbishop Sir Frank Little;

and, in supporting Margaret Tighe, the Liberal Party demonstrates its opposition to the archbishop.

Those are the types of broken agreements that have occurred, and yet Opposition members think they will govern Victoria! I conclude my remarks by saying the Morgan Gallup poll passed judgment on the Liberal Opposition in an environment that was supposed to be favourable to that party.

Mr HAYWARD (Prahran)—I join this Supply debate to talk about programs within the Ministry of Housing and Construction which are identified as Programs Nos 404 to 411 in the Supply Bill. Sadly, there are major financial and management problems in the Ministry of Housing and Construction at present.

The second report of the Auditor-General for 1986–87 reveals that the management information systems within the Ministry of Housing and Construction are so badly maintained that the Ministry has lost financial control. This is sad on a number of grounds. It is sad for the officers of the Ministry of Housing and Construction, many of whom I know well and speak to often, because their morale is suffering badly indeed. It is sad for the taxpayers of Victoria because their funds are being wasted because of poor management and financial control.

More importantly, it is sad for the tenants in the existing housing estates of the Ministry because they suffer from this mismanagement, and also it is sad for the many thousands of Victorian families who are without suitable housing because if the funds were better managed more funds would be available for the provision of housing.

The honourable member for Melbourne spoke at length about the rental arrears of the Ministry of Housing and Construction. The honourable member attempted to make a case, similar to the cases that other honourable members have attempted to make, that rental arrears are high because of the dreadful financial problems that the tenants in the housing estates are currently suffering.

There is a fundamental inconsistency in this approach. The Treasurer is happy to inform the House that unemployment rates in Victoria are among the lowest in Australia. Indeed, the Auditor-General points out that whereas Victoria has 57 550 properties it also has rental arrears of $14·9 million together with bad debts of $4·1 million, which have been written off.

New South Wales has 108 961 rental properties, nearly double the number of rental properties in Victoria, but it has rental arrears of only $3·6 million after bad debts of $400 000 have been written off.

On the one hand the Treasurer is saying that things are better in Victoria than elsewhere, including New South Wales, with better employment rates and yet, on the other hand, there is this enormous variation in rental arrears between the two States. The rental arrears in Victoria are the highest by far of any State.

Sadly, the true reason why the rental arrears are in such a dreadful state, as pointed out by the Auditor-General in his second report, is because of poor follow-up procedures and the effect of regionalisation in the Ministry. In other words, the regionalisation of the Ministry has been disastrous! It has not put proper management procedures into place when it regionalised the department.

The Auditor-General also pointed out the failure of the proposed computerised system and the lack of integrity of the rental database. He said that these have had a greater impact on the substantial level of rental arrears than the inability of tenants to meet rental payments being due to their unemployment. The evidence of the Auditor-General totally disproves the cases put by the honourable member for Melbourne and other honourable members from the government benches.

It is relevant to note the point made in the Auditor-General's report that a review of rental arrears was conducted by senior officers of the Department of Management and

Budget and the Department of the Premier and Cabinet during July 1987 but, to date, that report has not surfaced. It may well be asked why that report has not surfaced and what it says. Is there something in it that the government wishes to hide? One can only assume the reason why it has not surfaced—and the Liberal Party is making every endeavour to acquire the report under the Freedom of Information Act—is that it indicates a serious management problem within the Ministry.

Rental arrears are high because of the lack of proper management control in the Ministry. The Auditor-General's report reveals that on 30 June 1987 rental arrears were $14·9 million and bad debts totalled $4·1 million. Since that time the Ministry of Housing and Construction executive committee has indicated in its minutes—copies of which I have obtained—that the situation of rental arrears has deteriorated. It is getting worse!

The adverse trend is accelerating. On 30 June 1987 the rental arrears figure was $14·9 million. The Minister for Housing and Construction admits to a current figure of $12·8 million in rental arrears. However, the Auditor-General indicated in his briefing to members of Parliament this morning—which unfortunately the Minister was unable to attend but I hope he will take note of it—that the arrears records are so poor that no-one in the Ministry knows what the true figure is. They will not know that figure until the Auditor-General makes another audit.

I have been advised from within the Ministry that the Minister has probably understated the figure of rental arrears by as much as $5 million. When the Auditor-General makes his next audit of the matter it will reveal rental arrears of approximately $18 million. That is a sad situation indeed!

I am sure honourable members in their scrutiny of the second report of the Auditor-General for 1986–87 will also examine mortgage relief schemes. That is a cause for concern because the report reveals that 80 per cent of current borrowers are in arrears and 20 per cent of borowers have made no payments at all. That is a disastrous situation!

To take further the matter of management problems within the Ministry and the lack of proper financial and other management systems, I refer to the question of vacant rental properties. The Auditor-General in his report referred to the management information system and made further reference to vacant rental property figures being inaccurate. His report revealed that the Ministry is not in a position to monitor vacancy rates and in fact it does not know how many properties are vacant at any one point in time.

In other words, the management of vacant property records is a shambles. I have information which indicates that currently more than 1000 Ministry properties are vacant. The Ministry's own document, which was obtained under the Freedom of Information Act, reveals that 588 properties have been vacant for six months or more. An example of that situation is a property in Braybrook that was left vacant for twenty weeks despite the desperate attempts of families in the area to get decent roofs over their heads. This has occurred at a time when there are 32 000 families on the Ministry's waiting lists. Each night thousands of families are without adequate accommodation.

It is important in financial terms to have good management controls in the Ministry from the point of view of the taxpayer and especially from the point of view of the 32 000 families who have unsuitable or inadequate accommodation. Because there is no proper recording of vacant properties needy families are prevented from obtaining decent accommodation.

I now turn to another aspect of the management of the Ministry of Housing and Construction which is highlighted in the Auditor-General's report; the problem of fraud within the Ministry, particularly fraud in relation to maintenance of the Ministry's properties.

Presently the Ministry is plagued by overservicing, duplication of claims for the same job, and shoddy workmanship. There are examples of phantom contractors who have been paid for work that was never done. Thousands of maintenance jobs are paid for

without being examined by the Ministry's inspectors. The Ministry's own documents, which the Opposition has obtained, show that in four of the regions, only 50 per cent or less of maintenance jobs over $500 in value are inspected. The Ministry's own regulations prescribe that if maintenance work is carried out to the value of $500 or more, that work must be inspected, but a large section of the Ministry's own areas show that only 50 per cent of those works are inspected.

An example in the Auditor-General's report highlights one major contract where the contractor himself carried out the inspections that should have been carried out by the Ministry. As a result, there was a claim in excess of $120 000. That shows the Ministry's lack of adequate audit systems, and the Auditor-General said in his briefing to members of Parliament that the audit and other systems within the Ministry of Housing and Construction are incapable of monitoring, controlling and auditing the work. He said that the systems do not exist, or they do not operate properly. That, together with the lack of proper inspection procedures, as I have outlined, has resulted in fraud in the Ministry of approximately $5 million a year. That claim is based on information the Opposition has been given by contacts within the Ministry.

That is a sad position, and it is one that is causing problems, not only for the people inside the Ministry and the taxpayer, but also for the 32 000 families who are desperately seeking accommodation, and who are on the waiting list. If there had not been fraud and mismanagement within the Ministry, the funds that have been misappropriated or wasted would have been available to provide accommodation for those families.

We all realise the importance of housing from a social point of view. If adequate housing is not provided, the stability of families is put at risk and the stability of the community is undermined. Adequate housing is fundamental. We have lost sight of that and take housing for granted; but we can no longer take housing for granted because the number of homeless families in Victoria has grown significantly. I am not talking theoretically, I am talking after having seen the hard evidence.

I recently visited a number of emergency accommodation houses and refuges and observed families who literally do not have a roof over their heads and have no prospect of getting a roof over their heads. They cannot afford to go into private accommodation. When they seek Ministry of Housing and Construction accommodation they are told that they must wait for three or four years. I was talking with a family today who will be put out of their private rental accommodation shortly because the property is being sold, but that family has nowhere to go. The Ministry has said that they will have to wait for four years. What will happen to them? They do not know! Nobody knows!

It is important to point out what is happening from a general sociological point of view. I am sure you, Mr Acting Speaker, are well aware of charitable and service organisations that help people who have difficulties. The Society of St Vincent De Paul is an excellent example. Between 5.30 p.m. and 7.00 p.m. today I visited Ozanam House, which is run by that organisation and does some wonderful work.

Using this example, Ozanam House and other shelters are there to assist people who are in desperate need—usually, in that case, single men. They are what society might call its traditional clients, the people they have traditionally helped. They are people who are in desperate need of help. Two things became clear to me when I visited Ozanam House, and I recommend to any honourable member that he or she visit Ozanam House. It only takes 10 minutes to get there and any honourable member would be welcomed.

The first thing one notices is the number of young men who now go there every night. Thirty per cent of the people who go there every night are in their 20s, and two this evening were eighteen years of age. I was told that increasingly Ozanam House is receiving people who are not their traditional clients. Those are people who do not have some special problem, but they go there because of the economic situation. They literally do not have anywhere else to go and cannot afford any other form of housing.

The number of homeless people is growing and those homeless people who are going to the charitable organisations are making it difficult for the organisations to deal with their traditional clients who are in need. I have mentioned one institution, but we must also consider the institutions and other places that are attempting to help families with small children, particularly single women with small children.

There are a number of smaller organisations spread around Melbourne that cannot cope. I am advised that there is an 80 per cent turn away rate at those institutions. Many people are homeless and have literally nowhere to go. The churches and other organisations that are attempting to help those people cannot cope because of the combination of their traditional clients plus the new clients who have been forced out of accommodation through economic circumstances and have nowhere to go. The position is disastrous. It is bad for young people, but it is worse for families and, in particular, single mothers with children.

The government has injected more than $3000 million into the housing area over the past five years, but the problem has become worse. When the Cain government was elected, the Ministry of Housing and Construction waiting list was about 14 000, yet the waiting list is now about 32 000.

The government is attempting to provide more rental units. This policy is misguided and ineffective. It is misguided because people prefer to own their own homes, if possible. It is ineffective because it has merely increased the waiting list.

One might ask how people on low incomes can own their own homes and I agree that people who are unemployed will have great difficulty owning their own homes, but it has been shown in the United Kingdom, through some innovative programs which the United Kingdom government has implemented, that low-income families can own their own homes if they follow properly structured programs.

One of those programs is called the shared equity program. It is a complex program and time is not available this evening to explain it but the program has proved two things: firstly, so long as someone is working, it is possible for that family, under the program, to buy their own home on a shared equity basis so that, over a period, the family increases its equity in the home until they fully own it.

Secondly, the program has had an enormously favourable response from the low-income people involved. They would much prefer to own their own homes and have that degree of control over their destiny. It has been shown that if they can own their own homes, when they become pensioners they are in a much better position to deal with their financial situation. If they own their own homes they can exist on the pension, but they have great trouble existing on the pension if they do not own their own homes.

In Victoria, 32 000 people are on the waiting lists for public housing and another 20 000 people are permanent residents in caravan parks. Most of these people in caravan parks are there because they cannot afford the traditional type of accommodation, and the problem is worsening.

It is essential for Victoria to attempt to solve the problem in the most cost-effective manner and to use its scarce resources in the most cost-effective manner. The situation should not be approached in a philosophical or ideological manner; those considerations do not enter into it.

Undoubtedly the most cost-effective way of dealing with the problem is a move towards home ownership and I would like to illustrate this in practical terms. At present the capital cost of providing rental accommodation in the Ministry of Housing is approximately $80 000 per dwelling.

Further, the Ministry of Housing must meet annual maintenance costs of approximately $1100 per dwelling and, in addition, there are management costs and also interest costs. It is estimated that the total additional annual cost is $3500 a dwelling. Therefore, the

Ministry of Housing and Construction must pay the initial capital cost of approximately $80 000 plus the ongoing recurrent expenses associated with the property of about $3500 a year.

If that $80 000 could be used to assist people to buy their own homes, the Ministry would be assisting many more than one family. I am basing my argument on the hard evidence and experience in the United Kingdom. Not only would the Ministry be putting a roof over the heads of many more than one family with one capital amount of $80 000, but also each family would maintain its own property, so the government is not up for the annual management and interest costs.

This is the only possible way the government can approach the problem in the future. At present it is spending approximately $300 million a year in an attempt to provide accommodation in Victoria, and that is broken up into approximately $220 million to provide rental units and about $80 million to give assistance to people on home ownership programs.

The answer must be to progressively change that balance so that the majority of money goes into attempting to help people to buy their own homes. As part of the program one would give the existing Ministry of Housing and Construction tenants the option to buy the homes they are presently occupying. One would not, in any way, force them or put any pressure on them, but they should be given the option to buy their current residence if they so wish.

If one is to really assist the housing situation it would be best to give these people assistance to buy a property outside the existing Ministry of Housing and Construction rental stock because there is no question that we will need to maintain a certain amount of government housing rental stock. Much of that stock at present is in a deplorable condition and ought to be disposed of or bulldozed or pulled down because it is totally unsatisfactory for people to live in some of these premises and, from a cost effective position, it is impossible to improve these premises or make them decent.

One must assume that there will be an ongoing need for rental stock; the cheapest way of having that rental stock is through the existing stock. In other words, from a cost effective point of view, there is no value in disposing of the rental stock as such; we should progressively dispose of it as it becomes inadequate, as much of it is at present.

We must encourage and assist people to buy their own homes outside the Ministry of Housing stock which would mean that people not currently on the waiting lists would be helped in obtaining their own homes. The people currently on the waiting lists would be assisted in buying their own homes and the waiting lists would be reduced because people in existing housing stock would be moving outside that stock, which would free up dwellings within the present stock so that the small group of people within the 32 000 on the list who were not in a position to buy their own homes would have the opportunity of moving into Ministry of Housing and Construction houses that had been vacated by those buying their own homes. The current policies of the present government are misguided, not only in philosophical or ideological terms but in terms of not giving the people what they want and not using the limited resources most effectively.

The other housing problem facing Victoria is the major mismanagement within the Ministry of Housing and Construction, which I have outlined this evening. Hard evidence exists of this problem in the second report of the Auditor-General of Victoria and the tragedy of those management problems is that the wasted resources are due to the ineffective systems and financial controls of the Ministry, which means that money that could otherwise be used to provide decent accommodation for people in desperate need is being wasted and frittered away and is preventing other people from having a decent roof over their heads.

Housing is the most serious problem facing Victoria at present because it is vital to the stability of our society and our families. There will be no more important priority for the

incoming Liberal government than to fix up the management problems within the Ministry of Housing and Construction and to bring in new housing policies, which are cost effective for Victoria.

The motions were agreed to.

The Bills were read a second time, and passed through their remaining stages.

LIBRARIES BILL

Mr CATHIE (Minister for the Arts)—I move:

That this Bill be now read a second time.

I am proud to be able to introduce this new Libraries Bill as it represents a significant milestone in the development of libraries in this State, and one which will take Victoria's libraries into the next decade and beyond with a new sense of purpose.

Victoria has a long record of library services. The first, a subscription library, was set up in 1838 when the colony was only two years old. In the early 1850s citizens of the burgeoning town of Melbourne began the campaign for a public library. These citizens included members of Parliament and senior government officials, the most prominent of these being the Lieutenant-Governor of the Colony, Charles Joseph La trobe, and Mr Justice, later Sir, Redmond Barry.

The foundation stone of the Melbourne public library was laid in July 1854, and the building officially opened its doors to the public on 11 February 1856. Thus the institution which was to become the State Library of Victoria was a 21st birthday present to the young Colony, an appropriate recognition of Victoria's coming of age.

A system of travelling libraries—brassbound boxes of books which were sent to towns and settlements around the State—extended services to people living outside the capital. Mechanics institutes blossomed in the second half of the nineteenth century, and the institute buildings, which still remain in the main streets of many towns in country Victoria, are a testament to the vitality of this movement towards self-education and the pursuit of knowledge through books and reading.

Municipally-controlled public libraries followed more slowly. By 1912 there were five such libraries provided free of charge by local councils. By the mid-1940s when the State government passed the Free Library Service Board Act establishing a State Library Board to support and coordinate development of a Statewide network of free public libraries, less than 15 per cent of Victoria's population was served by public libraries. This board promoted the establishment of new libraries, advised on their operations, and administered the State's public library funding program.

A further impetus to Statewide planning of library services took place in 1965 when, as a result of the Jungwirth report of 1963, the Library Council of Victoria was established under its own Act. The Library Council took over the roles of the former Free Library Service Board and the trustees of the State Library of Victoria, thus bringing together under one administration the State's two public library functions.

In 1970 the Library Council of Victoria presented a report to the State government entitled "Public Library Service in Victoria", which set the pattern for library reform and development in the State, and included the landmark "minimum standards for public libraries", which was an essential tool in the development and evaluation of services. The report also emphasised the advantages and economies of scale in regionalisation of libraries for the large number of small and medium-sized municipalities in the State which would otherwise have found it difficult to maintain good standard libraries at a reasonable cost.

This new council continued the work of its predecessor through its planning and advisory functions, and, in particular, its advice on the funding of public libraries. It worked with local government, both through representation on the Council of Local Government

Councillors and through its consultancy and advisory activities at local and regional level; and this partnership achieved what was arguably the best public library network in Australia.

One of the major thrusts of the council's work over the past fifteen years has been to achieve Statewide coverage of public library services, and this has been very largely successful. Library service is now available to 99·6 per cent of the population of Victoria.

Other achievements which can be attributed directly or indirectly to the work of the council have included: the establishment of regional libraries involving 177 Victorian municipalities and eight New South Wales municipalities; introduction of computer systems in all but fifteen libraries; expansion and upgrading of bookmobile services far in advance of other States; the establishment of Technilib, as a cooperative processing centre for libraries; increased expertise and standards of service through children's libraries; establishment of the Victorian library network on Viatel linking all public libraries and the State Library of Victoria in a common system; integration of library services to print-handicapped readers into the public library system; and, a wide range of innovative projects of potential benefit to all libraries.

These achievements are significant and the government recognises the work of the Library Council of Victoria over its 23 years of operation.

However, the environment in which libraries now operate is very different from that of the 1960s and 1970s and new and different strategies and structures are needed to ensure that our libraries are able to respond and develop in this environment in a way which will carry the greatest benefit for all Victorians.

Major elements in this changing environment for libraries are changes in government policies, the economic environment, social factors, educational changes, technological change, and changes in the information industry itself.

The expansionary days of the last decade are over, and governments around the world are facing the realities of finite resources and growing demands for government services. The present Victorian government, unlike many previous governments, has responded to this challenge with a systematic and focused approach to policy development which permeates all facets of its operations and provides the driving force for its initiatives.

The economic and social justice strategies are the two main building blocks of current government policy. Ways must be found to ensure that libraries can play their part in the context of these strategies, and that Statewide planning for libraries is fully informed on new policy directions which will impact on the provision of libraries.

In common with the rest of Australia, Victoria has the problem of a sparse population distribution outside the metropolitan area. This has significant implications for the delivery of non-metropolitan library services and the strategies which should be adopted to achieve reasonable standards of service.

The percentage of non-English speaking people in Victoria is higher than in any other State. Victoria, in common with the rest of Australia, has an ageing population. These factors create different user groups with different needs in the community. Libraries in turn are having to review their services and design new approaches to meet these very particular needs.

As key providers of information, libraries are continually influenced by the numerous and rapid changes in information technology. Recent developments in computer, communications and information storage technologies are having a profound effect on library services. These technological changes are closely related to the rapid growth in the pool of information that is available, and the need for citizens to have more rapid and easier access to the particular information necessary for them to conduct their increasingly complex lives.

These challenges provide opportunities for all libraries to make a significant contribution to the social and economic well-being of the State. They also place tremendous pressures on the system which demands creative and well-constructed solutions.

I believe this Bill will provide the necessary structures and processes whereby the total library resources of the State can be coordinated and directed to the greatest benefit of all Victorians who have a need for the knowledge and information that these libraries represent. It will also, I believe, provide a more focused approach to the development of library policies under the broad umbrella of government policy as well as broadening the scope of advice received by government while retaining the already well-established links with the local government library sector.

In regard to those structures and processes the Bill establishes the Libraries Board of Victoria, a cross-sectional representative body to provide advice and information to the Minister on matters relating to libraries and information organisations, and to identify, develop and promote opportunities to bring about more comprehensive and improved library and information services in Victoria.

In addition, the Council of the State Library of Victoria is established by the Bill to be responsible for development and operational matters of the State Library of Victoria including the custodianship of the State collection of library material ensuring that it is managed, accommodated, maintained, preserved and developed in an efficient and economic manner.

The establishment of these two bodies, which as a major new government intiative will bring not only greater efficiency to the library network but also enable it to plan on a coordinated basis for the future, is the result of a long and wide-ranging process of review and consultation involving State and local government and all sectors of the library community.

A number of major reports have been produced: two reports of the libraries review prepared by the Management Improvement Division of the Public Service Board of Victoria, and the State Library Development Study carried out by an independent steering committee under the able chairmanship of Mr Arnold Hancock OBE have been the most significant and have generated broad debate. Within my own Ministry, a twelve months' consultative process has involved a wide range of library administrators in advising on appropriate directions for the future. The Municipal Association of Victoria and the Metropolitan Municipal Association have made a very great contribution to the debate on the issues, and in particular on the future pattern of public library funding. This Bill owes much to this debate and discussion.

In conclusion, the Bill will repeal the Libraries Act 1958 as well as the Library Council of Victoria Act 1965 to which I have alluded previously.

As a matter of further information for honourable members, the current provisions of the Libraries Act 1958 are the remaining provisions of that Act following the establishment of the Library Council of Victoria under its own statute in 1965 and the transfer to it of the powers, functions and duties of the former trustees of the State Library of Victoria and the Free Library Service Board, formerly contained in the Libraries Act 1958.

Presently that Act makes provision for land vested in trustees which may be used as a site for a free library, reading room, mechanics institute or trades hall. In connection with these uses the Act provides for the appointment and resignation of trustees, for the surrender to the Crown of Crown grants no longer required, and for the transfer to the municipality of the local district of land, held otherwise than by Crown grant, that is no longer required. The Bill will provide for amended provisions relating to these matters.

In particular, the existing section 23 provides that land, other than Crown land, vested in trustees in trust for the purpose of a site for a free library, reading room, mechanics institute or trades hall, and which is no longer required for that purpose, may on petition

from the trustees and approval of the Governor in Council be transferred to the local municipality.

A large majority of these facilities, some of which have existed since the last century, are no longer used for the original purpose and have no legally appointed trustees. They stand in disrepair unable to be transferred under section 23 to the local municipality, under whose management the site could be put to use for the benefit of the local community.

A significant number of applications received by the Ministry for the Arts, on the advice of the Victorian Government Solicitor, have been refused because no legally appointed trustees or registered proprietor can be found. The alternative then for local communities is to approach the Supreme Court of Victoria for the appointment of new trustees and subsequent authorisation for transfer to the municipality, a complex exercise which is both costly and time consuming.

In the Bill the government has responded to these local community requests by providing that the Minister will consider transfer or surrender applications from eligible persons. Notice of such applications will be required to appear in the daily and local press and the Minister will consider any objections before making his decision.

I commend the Bill to the House.

On the motion of Mr COOPER (Mornington), the debate was adjourned.

It was ordered that the debate be adjourned until Tuesday, April 26.

STAMPS (SECONDARY MORTGAGE MARKET) BILL

Mr JOLLY (Treasurer)—I move:

That this Bill be now read a second time.

The Stamps (Secondary Mortgage Market) Bill will operate to amend the Trustee Act and the Stamps Act to further facilitate the development of the secondary mortgage market in Victoria.

The government's principal objectives in legislating to facilitate the development of this market are as follows:

to provide a greater supply of funds to the housing sector which should over time have the added advantage of decreasing interest rates on home loans. The development of the secondary mortgage market should serve to encourage institutional investors such as life offices and superannuation funds to direct their funds to the housing market;

to assist the liquidity management of housing finance institutions and smoothe the flow of funds to the housing sector; and

to add to the choice of financial instruments available to investors.

As honourable members will recall, this government in 1984, in introducing legislation, took the first step of any government in Australia to facilitate the development of the secondary mortgage market. That step consisted of making amendments to the Trustee Act and the Stamps Act to give trustee status and stamp duty exemptions to mortgage-backed securities issued by recognised institutions. This government at that time also contributed capital, together with a number of private financial institutions, to the National Mortgage Market Corporation Ltd. That corporation, which was incorporated in 1984, was the first institution to gain status as a recognised institution under the 1984 legislation.

The National Mortgage Market Corporation Ltd, as foreshadowed in the government's economic strategy, has worked with the government in reviewing the regulatory framework governing the secondary mortgage market in Victoria. The proposed legislation is a result of that review and wide-ranging consultation with the market.

The Bill, which is primarily designed to facilitate a broader-based development of the secondary mortgage market, operates to confer trustee status on a wider class of mortgage-

backed securities and to grant wider stamp duty exemptions than is the case under the existing legislation.

Trustee status will be awarded to mortgage-backed securities which obtain a minimum credit rating from an approved credit rating agency. The proposed legislation will facilitate a broader development of the market in that it will enable institutions to participate in the market without having to gain recognised institution status, which to date has been awarded on the basis of capital adequacy. Instead of focusing on the requirement of capital, the Bill recognises two important developments which are part of the increasing sophistication of financial markets. Firstly, it recognises that credit enhancements can be incorporated into securitisation structures in the place of capital, and, secondly, the growth of independent credit rating organisations and their proven ability to assess credit worthiness.

The stamp duty exemptions which are designed to be wide ranging and exempt all stages of the securitisation process will no longer be dependent upon the mortgage-backed securities having trustee status. This is a major change from the existing legislation. Also, although the stamp duty exemptions are primarily being provided to encourage the secondary mortage market, the proposed legislation is sufficiently flexible to enable assets other than mortgages, for instance, credit cards or lease receivables, to become securities should the financial markets move in that direction.

The Bill is an important piece of legislation in the context of both this government's economic strategy and social justice strategy. The Bill will facilitate the home opportunity loans scheme sponsored by the Ministry of Housing and Construction. This scheme, which forms an important part of the government's social justice strategy and was launched by the Premier in March this year, will provide $1 billion over five years to create low start home loans for less advantaged members of the community. The home opportunity loans scheme will be funded by Victorian housing bonds, which will gain trustee status and stamp duty exemptions under the proposed legislation.

I commend the Bill to the House.

On the motion of Mr STOCKDALE (Brighton), the debate was adjourned.

It was ordered that the debate be adjourned until Tuesday, April 26.

HOSPITALS SUPERANNUATION BILL

Mr JOLLY (Treasurer)—I move:

That this Bill be now read a second time.

This Bill is a further step in the restructure of public sector superannuation that this government began when it came to office. As has been indicated previously, the strategy is to establish nine public sector industry schemes. The establishment of several large superannuation schemes, rather than just one for the whole public sector as recommended by the Economic and Budget Review Committee, enables each scheme to be tailored to the particular employment conditions and superannuation needs of the industry it covers.

Nowhere is the need for a custom-designed superannuation scheme clearer than in the hospitals sector, which is unique in terms of both present superannuation arrangements and employment structures. The present Hospitals Superannuation Fund is unique in the public sector because it is a voluntary scheme. Less than 25 per cent of hospital employees eligible to join have responded to the Hospitals Superannuation Board's efforts to enrol them as contributors to the fund. The result is that many thousands of permanent public sector employees, including a large number of women, have no superannuation.

Secondly, a significant number of all staff employed in the hospital sector are casual employees. In the past these employees have not been eligible for superannuation because of the casual nature of their employment. Social justice requires that superannuation should be provided for all public sector employees. In consultation with the Victorian

Trades Hall Council the government has therefore designed a completely revised Hospitals Superannuation Fund, which will automatically cover all hospital employees and incorporate our response to the 3 per cent productivity award in the 1986 national wage case.

Like other restructured public sector funds the new Hospitals Superannuation Fund will provide a basic non-contributory benefit and allow two levels of optional contributions for higher benefits. The retirement benefits will all be lump sums which employees should find simpler to understand than the present combination of lump sums and pensions. The basic benefit for all employees, casual or regular, will be the productivity benefit equal to a contribution of 3 per cent of salary accumulated with interest plus, in the event of death or disability, a complementary insurance benefit. No further benefits will be available to casual employees.

Hospital staff other than casuals will be able, if they wish, to make contributions to provide additional retirement benefits, and commensurate death and disability benefits. The two optional rates of contributions will be 3 per cent and 6 per cent of salary. For each year of 3 per cent contributions the additional retirement benefit will be 9 per cent of final salary; 6 per cent contributions will secure additional benefits of 18 per cent of salary. The maximim retirement benefit, consisting of the 3 per cent productivity benefit plus the additional defined benefit of 18 per cent of salary for each year of contributing at 6 per cent, is consistent with the defined benefits in other restructured Public Service superannuation funds. For example, the restructured State Superannuation Fund will provide a retirement benefit of 20 per cent of salary for each year of contributing at 5 per cent.

All existing contributors to the Hospitals Superannuation Fund will become members of the revised fund and will be entitled to the new scale of benefits for future years of membership. The Bill provides for regulations to be made to cover transitional arrangements to ensure that existing members will have a choice, at retirement or earlier termination of service, between the new and old scales of benefit. The regulations will improve old benefits to reflect the 3 per cent productivity award. In particular the limit of 30 years of recognised contributory membership which now restricts the benefits for long-serving employees will be extended.

The other unique feature of the Hospitals Superannuation Fund is its extension beyond the public sector to class B institutions such as community hospitals and other voluntary agencies. As this has real portability advantages, the government will welcome community hospitals remaining as full participants in the fund. The Bill allows the board to admit class B institutions on special terms and conditions. One such condition may be a probationary period before the hospital is required to contribute to provide superannuation beyond the 3 per cent productivity benefit for new employees. If a community hospital now participating in the Hospitals Superannuation Fund prefers to make other arrangements for its employees, it will be able to restrict membership of the fund to those who are already contributors or to negotiate terms to withdraw from the Hospitals Superannuation Fund.

Superannuation reform has been a long-term project of this government. This Bill will restructure superannuation in a sector of employment with unusual features, and the lowest present superannuation coverage.

I commend the Bill to the House.

On the motion of Mr STOCKDALE (Brighton), the debate was adjourned.

It was ordered that the debate be adjourned until Tuesday, April 26.

STATE SUPERANNUATION BILL

Mr JOLLY (Treasurer)—I move:

That this Bill be now read a second time.

Since the tabling in 1984 of the report of the Parliamentary Economic and Budget Review Committee into Victorian public sector superannuation schemes, the government has had under way a major process to restructure public sector superannuation into nine industry schemes.

On 1 January 1987 the Emergency Services Superannuation Scheme commenced. During 1987 revised modern superannuation schemes were negotiated and commenced for employees of the State Electricity Commission, the Melbourne and Metropolitan Board of Works, the Gas and Fuel Corporation and the State Bank so that five of the proposed nine schemes are now in place.

This Bill represents a further major step in the process, by revising the State Superannuation Fund, which covers public servants, teachers and employees of many smaller public bodies. The changes apply only to those still in employment. Pensions now payable to retired officers and to dependants, including indexation for cost-of-living increases, will be in no way affected.

An important step is that in future exempt employees under the Public Service Act will be eligible for the same superannuation fund as permanent officers, instead of being required to join the separate State Employees Retirement Benefits Fund. There will in future be a separate fund for employees of the various transport authorities, including those who now participate in the State Superannuation Fund. Transport employees who are now members of the State fund will however be able to elect to continue as contributors.

As has been the case in all other recently restructured public sector superannuation funds, the Bill includes the government's response, for the employees concerned, to the award in the 1986 national wage case of a productivity contribution of 3 per cent of salaries to superannuation. For present State Superannuation Fund members the 3 per cent productivity contribution has not been simply added to existing benefits but, by agreement with unions representing public sector employees, has been applied to a package of changes intended to remedy weaknesses or problems in the fund.

The two key changes for existing employees, which together will absorb most of the 3 per cent of salaries to be added to the government's long-term superannuation costs, are improvements in resignation benefits and a simpler scale of employee contributions. Resigning employees will in future receive interest on their refunds of contributions. In addition, if they have given five or more years of service, there will be a graduated vesting of employer-financed benefits. To ensure that public moneys are used towards genuine retirement provision the vested employer benefits will be deferred in the same way that the Commonwealth now requires preservation of vested benefits in private sector superannuation plans.

The complex unit system of contributions will be scrapped, as recommended by the 1984 report, and replaced by a new ascending scale of employee contributions. The scale will rise from 3 per cent of salary for officers aged under 30 years to 8 per cent of salary for those aged 55 years or over. As foreshadowed in 1987-88 Budget Paper No. 2, there will also be a simpler system of sharing the costs of benefits between the superannuation fund, which is built up from investment of employee contributions only, and the Consolidated Fund.

Under the new system the superannuation and consolidated funds will meet complementary percentages of benefits, as recommended in the recently tabled actuarial report. The systematic adjustment of those percentages will become the focus of future actuarial reviews and a clear performance indicator for the superannuation fund in key areas such as investment returns and management of disability pensions.

The relative percentages will be a clear demonstration of the costs of benefits to employees and to the government. Under the present complex system, it is often not appreciated that the government and other employers provide approximately $3 in superannuation contributions for every $1 paid by contributors.

For employees recruited from 1 July 1988 onwards the State Superannuation Fund will offer lump sum retirement benefits rather than pensions. All officers will have a choice of three levels of benefits and contributions, including a basic non-contributory option under which lump sum retirement benefits will accrue at a rate of 10 per cent of final salary for each year of service. The 5 per cent contributory option will provide lump sum retirement benefits of 20 per cent of final salary for each year of contribution at that rate. Contributions at 3 per cent of salary will generate retirement lump sums of 16 per cent of final salary. Both these scales exactly match the scales for non-operational personnel under the Emergency Services Superannuation Scheme.

Officers who have chosen lower contribution options early in their careers will have the opportunity to pay 7 per cent contributions to catch up to benefits which would have accrued if they had always paid 5 per cent contributions. Seven per cent contribution options will also be available to all officers over age 40 and to all Department of Conservation, Forests and Lands firefighters, who are more likely than others to wish to retire early. A special 8 per cent option will also be available after twenty or more years of service to present Department of Conservation, Forests and Lands firefighters who elect to transfer to the new scheme.

Disability benefits for new scheme members will be in pension form, and will be integrated with WorkCare. Resignation benefits will match as closely as practical the improved benefits for existing employees, including the requirement that employer financed benefits be preserved for payment at eventual retirement. The medical classification system will be improved.

The optional contribution and benefit structure reflects the recommendations of the parliamentary inquiry, with adjustment for the subsequent 3 per cent productivity award. Actuarial estimates indicate that, in the longer term, its substitution for the present scale of benefits should generate considerable savings to the government and other employers, but still provide a truly competitive scale of superannuation.

Present contributors to the State Superannuation Fund may elect to transfer to the new lump sum benefits for future years of service. In that event they will be entitled to preserve pension benefits for completed years of State Superannuation Fund membership. The Bill also includes new provisions for financing of lump sums payable to retiring employees which were announced in the 1987–88 Budget, and for the funding on private sector lines of superannuation liabilities of self-funding agencies.

I commend the Bill to the House.

On the motion of Mr STOCKDALE (Brighton), the debate was adjourned.

It was ordered that the debate be adjourned until Tuesday, April 26.

The SPEAKER—Order! The time appointed under Sessional Orders for me to interrupt the business of the House has now arrived.

On the motion of Mr FORDHAM (Minister for Industry, Technology and Resources), the sitting was continued.

TRANSPORT SUPERANNUATION BILL

Mr JOLLY (Treasurer)—I move:

That this Bill be now read a second time.

When recently introducing other Bills to restructure public sector superannuation I have explained that the government's strategy is to establish nine seperate but consistent funds on an industry basis.

The present superannuation arrangements for the various authorities of the Ministry of Transport are the most fragmented in the whole public sector. As mentioned in the report of the 1984 Parliamentary inquiry there are six different funds covering employees of the larger authorities, and several smaller funds covering closer groups of employees. A large number of transport employees, especially in railways, are not members of any superannuation fund.

This Bill will establish a single fund for all transport employees, except public servants in the Ministry itself, including the government's response to the 3 per cent productivity superannuation contribution awarded in the 1986 national wage case.

Membership will be automatic for all employees not already superannuated and for those who commence work on 1 July 1988 or later; it is expected that a majority of present employees will voluntarily elect to transfer from their existing funds but those who wish will be free to enjoy their present superannuation benefits for the remainder of their careers with present employers.

The transport fund will vary only slightly in structure from the new State Superannuation Fund, and thus embody major features of the scheme recommended by the 1984 report. It will offer a similar range of optional contributions and lumps sum benefits. The lump sum retirement benefits under the non-contributory option will accrue at 10 per cent of final salary for each year of service as under the State Superannuation Fund. For those who choose to contribute 5 per cent of salary benefits will accrue at 20 per cent of final salary for each year, also as under the State Superannuation Fund.

Instead of a 3 per cent contribution option there will be a 2·5 per cent option with a commensurate lower benefit. The catch-up option will be subject to similar conditions but will require a contribution of 7·5 per cent of salary rather than 7 per cent. These small differences tend to compensate and should therefore have a marginal overall financial effect. They are designed to facilitate transfers from existing funds so that progress towards the objective of a single fund for all transport employees should be as quick as possible.

A second difference from the restructured State Superannuation Fund will be in resignation benefits. In the transport fund 3 per cent productivity contributions will vest immediately, not after five years of service, because some areas of employment are less career oriented. The more generous benefits for early resignations will be compensated by a generally lower vesting scale for resignation after five or more years of service.

As in the revised State Superannuation Fund, resignation benefits in excess of employee contributions plus interest will be compulsorily preserved until retirement, in line with recent Commonwealth regulations for private sector superannuation plans. The new Transport Superannuation Fund will bring equity to employees in the various authorities and remove significant obstacles to mobility of employees within the transport sector in response to career opportunities. As it will be consistent with the restructured State Superannuation Fund and other public sector industry superannuation funds, wider portability will also be simplified.

I commend the Bill to the House.

On the motion of Mr STOCKDALE (Brighton), the debate was adjourned.

It was ordered that the debate be adjourned until Tuesday, April 26.

LOCAL AUTHORITIES SUPERANNUATION BILL

Mr SIMMONDS (Minister for Local Government)—I move:

That this Bill be now read a second time.

The Bill is an enactment with amendments to the Local Authorities Superannuation Act 1958. It incorporates a revised structure of benefits for contributors to the Local Authorities

Superannuation Scheme. The new benefits are the result of successful negotiations between employers and unions in 1987.

Features of the restructured benefits include:

Retirement Benefits—Lump sum retirement benefits will be 21 per cent of adjusted final salary for each year of scheme membership, up to a maximum of 8·4 times salary. The calculation will include a proportionate adjustment for part years of service;

Thirty-year Limit—The existing limit of 30 years' service for the calculation of benefits will be removed. Employee contributions will cease after 40 years' scheme membership; and

Resignation Benefits—Improved resignation benefits will be 9 per cent of adjusted final salary for up to five years of scheme membership, plus 15 per cent for years in excess of five. However, this improvement in resignation benefits will not be paid immediately, but will be preserved until retirement after age 55, in accordance with government guidelines.

In addition, the new benefits include a number of matters of detail agreed upon by a working party of unions, employers and the Local Authorities Superannuation Board. These comprise the following:

Medical Classification—All class 2 medical classifications are to be upgraded to class 1 after 15 years in the scheme;

Pension Benefits—Members in the scheme prior to the introduction of the new benefits—approximately May 1988—are to have a choice of exchanging a portion of their lump sum for an indexed pension.

Resignation Benefits—Members will have the option of leaving any preserved improvement in resignation benefits in the Local Authorities Superannuation Fund, or transferring it to one of the special approved deposit funds operating under government productivity guidelines;

Deferred Benefit—An improved deferred benefit of 21 per cent of adjusted final salary for each year of membership will be available to those resigning prior to age 55 years where no cash resignation benefit is taken;

Retrenchment Benefits—An improved retrenchment benefit of 21 per cent of adjusted final salary for each year of membership will be available subject to approval;

Death Benefits—All death benefits will be paid in the form of a lump sum payment to the deceased member's legal personal representative;

Ill-health Benefit—Where members do not qualify for disability benefits, an ill-health benefit of 21 per cent of adjusted final salary for each year of membership may be offered by the board;

Medical Review Panel—A medical review panel consisting of an independent doctor, independent actuary and a board member will be set up to review medical classifications upon the appeal of a member;

Disabled Review Panel—Disability review panel, similar to the medical review panel, will be set up to hear appeals regarding disability claims;

Leave Without Pay—Employee and employer contributions will be suspended during any period of approved leave without pay, and the period of such leave will not count for the calculation of retirement or resignation benefits. Members wishing to maintain their full death and disability cover during the period of unpaid leave may do so by paying a contribution of 2 per cent of salary;

Protection of Benefits—Special provisions will be introduced to maintain members' accrued benefits in the case of salary decreases, where a change in employment circumstances means a lower salary; and

Additional Benefits Contracts—All future additional benefits contracts will be an accumulation of contributions plus interest.

Honourable members should note that the superannuation model adopted by local government is not the same as the model for the State public sector. In particular, the decision to include compulsory employee contributions is a result of an agreement between the Municipal Association of Victoria and local government unions.

Parts 1 and 7 of the Bill are deemed to have come into operation on 1 September 1987. The effect of this will be that members who have left the scheme since that date will be entitled to the improved benefits under the terms of the new legislation.

In redrafting the legislation, the opportunity has been taken to simplify and modernise its structure and bring it into line with other recent superannuation Acts.

I commend the Bill to the House.

On the motion of Mr DELZOPPO (Narracan), the debate was adjourned.

It was ordered that the debate be adjourned until Tuesday, April 26.

TELECOMMUNICATIONS (INTERCEPTION) (STATE PROVISIONS) BILL

Mr McCUTCHEON (Attorney-General)—I move:

That this Bill be now read a second time.

INTRODUCTION

The Bill will for the first time allow State police access to telephone-tapping powers in the investigation of serious offences. It is, therefore, a major step in equipping police to deal with white-collar crime, organised crime and drug trafficking.

BACKGROUND

Telecommunications is an area of Commonwealth responsibility under the Constitution and is regulated entirely by Commonwealth legislation. For a number of years, it has been an offence to intercept a telephone conversation. In the 1960s limited exceptions were provided to allow the Australian Secret Intelligence Organisation to tap telephones for national security purposes and to allow the Commonwealth Police, and later the Australian Federal Police to tap telephones in the investigation of Federal drug offences. Last year, following the reports of the Stewart Royal Commission into Alleged Telephone Interceptions in April 1986 and of an all-party Joint Select Committee of the Federal Parliament in November 1986, the Commonwealth government amended the Telecommunications (Interception) Act 1979 to allow telephone interception, with a judicial warrant, in the investigation of certain State offences. The offences concerned are described in the Telecommunications (Interception) Act 1979 as class 1 offences; including murder, kidnapping and related ancillary offences such as conspiracy to murder, and class 2 offences which are certain other serious offences punishable by at least seven years' imprisonment.

A warrant to intercept a telephone for criminal investigation purposes may be granted only by a Federal judge. In practice, applications will usually be made to judges of the Federal Court. In deciding whether to grant a warrant, the judge will need to be satisfied, by information on oath, that information necessary in the investigation of a serious offence cannot be obtained by other less intrusive means. If the investigation relates to a class 2 offence, the judge will also need to weigh up the extent of interference with personal privacy; the gravity of the conduct under investigation; and the extent to which information likely to be obtained would assist in the investigation.

All warrants would be executed by the newly established Telecommunications Interception Division of the Australian Federal Police, including warrants for the

investigation of State offences. The Telecommunications (Interception) Act 1979 also strictly prohibits the admission of evidence of intercepted telephone conversations in criminal trials unless all the requirements of the Act have been complied with. The use or communication of information obtained under a warrant for a purpose other than the investigation of serious crime is also prohibited.

The Commonwealth Act lays down strict and precise conditions before State police can exercise the powers it confers in relation to State offences. The conditions are set out in section 35 of the Act. Participation by a State police force in the Commonwealth scheme requires a declaration by the Commonwealth Minister responsible for the Telecommunications (Interception) Act 1979. A declaration may only be made if:

(*a*) the Premier of the relevant State so requests;

(*b*) the State has in place specified legislative safeguards; and

(*c*) the State enters into an agreement to pay:

(i) all expenses connected with the issue of a warrant;

(ii) all expenses incurred in connection with the execution of a warrant; and

(iii) "an appropriate proportion" of the expenses incurred in establishing the Telecommunications Interception Division of the Australian Federal Police.

The legislative safeguards that a State must have in place reflect those which apply to Federal law enforcement authorites. They include:

obligations on the Chief Commissioner of Police to keep detailed records of each application for a warrant and the outcome of its execution;

regular inspection of these records by an independent authority, such as the Ombudsman and the furnishing of reports on those inspections;

the provision to the responsible Minister of copies of all warrants and reports on the use made of information obtained, as well as detailed annual reports; and

a requirement that the State Minister forward all this information to the Federal Minister.

As the ultimate sanction, if a State fails to comply satisfactorily with these requirements, the Commonwealth can revoke its declaration, thereby depriving the police of access to telephone-tapping powers.

THE BILL

The Bill implements the requirements of the Federal Act to enable the Victoria Police to participate in the Commonwealth scheme. It contains all the requirements of record-keeping, auditing inspections and reporting set out in the Telecommunications (Interception) Act 1979. These requirements will enable the government to ensure that the Telecommunications (Interception) Act 1979 is being complied with and that telephone-tapping powers are used sparingly, with due regard for personal privacy and only in the most serious cases. The Commonwealth will also have the opportunity of monitoring the extent of State compliance with the spirit and letter of the Act.

Consistently with State listening devices laws, the Victoria Police will not be able to apply for a warrant to last more than 30 days or to apply by telephone. These requirements will ensure full and frequent judicial scrutiny of the need for a warrant and of the need for continuing surveillance. The police may, of course, apply for a fresh warrant upon the expiry of a warrant and there is no limit on the number of warrants which may be obtained in relation to a telephone service.

PRIVACY CONSIDERATION

It is worth reflecting on the policy underlining the Commonwealth scheme as it will apply in Victoria.One of the great freedoms we enjoy in Australia is the ability to speak to each other without intrusion and with confidence in the privacy of what we say. It is not a freedom we should take for granted. In many countries, people are not free to communicate without the fear that an agent of the State may be listening. In the world today, respect for the privacy of communications is the exception rather than the norm. Sadly, that respect has been lost in many formerly free societies. We should not think it cannot happen here. Strict rules are essential to protect the privacy of communications and to provide effective remedies when the privacy is breached. Nevertheless, privacy considerations must sometimes give way to other social objectives. One such objective is the need to deal with major crime.

The government is satisfied that there are circumstances in the investigation of serious offences against State law in which the interception of telephone conversations is the only effective way to gain key evidence. Experience overseas and at the Federal level has shown the value of telephone tapping in the investigation and prosecution of serious crime, particularly organised crime. In the past five years, the Victoria Police have been involved in five joint task force operations with the Australian Federal Police in which judicially authorised telephone tapping has been used. This operational exposure has strengthened the view of the force that telephone tapping is a vital measure in the investigation of major drug trafficking and other organised crime. The government accepts this view.

At the same time the safeguards provided by the Bill and by the Commonwealth Act constitute an appropriate and necessary regime to govern the use of the power. The proposed legislation strikes a satisfactory balance between the preservation of free communication and the effective enforcement of the criminal law. With this balance in place the government has decided to participate in the Commonwealth scheme.

CONCLUSION

The Bill represents an historic step in the law governing criminal investigation. Like the Crimes (Confiscation of Profits) Act 1986, the mutual assistance in criminal matters scheme, the interstate exhibits and search warrants scheme, the Crimes (Computers) Bill and many other recent government initiatives, the Bill is a further illustration of the government's commitment to deal effectively with organised and other serious crime.

I commend the Bill to the House.

On the motion of Mr JOHN (Bendigo East), the debate was adjourned.

It was ordered that the debate be adjourned until Tuesday, April 26.

CRIMES (FINGERPRINTING) BILL

Mr McCUTCHEON (Attorney-General)—I move:

That this Bill be now read a second time.

The Bill regulates the circumstances in which the police may obtain fingerprints from a suspect. For the first time in Victoria, the police will have the power, in appropriate cases. to take fingerprints without the suspect's consent. The power is accompanied by important safeguards to ensure a balance between the need for effective law enforcement and the protection of fundamental freedoms. The Bill implements the recommendations made by the Consultative Committee on Police Powers of Investigation in its recent report on fingerprinting.

THE CONSULTATIVE COMMITTEE ON POLICE POWERS OF INVESTIGATION.

Honourable members will recall that in 1984 the government asked the then Director of Public Prosecutions—DPP—Mr J. H. Phillips, QC, now Mr Justice Phillips, to convene a committee including prosecutors, defence lawyers and police officers to examine certain

issues associated with police powers. This was the genesis of the consultative committee. When Mr Phillips was appointed a judge of the Supreme Court, the chairmanship of the committee passed to his successor as DPP, Mr John Coldrey, QC.

The first issue which the committee considered was the law governing the questioning of suspects. Its report on that subject, entitled "Custody and Investigation", forms the basis of the Crimes (Custody and Investigation) Bill which was introduced into Parliament on 8 October 1987. Since the presentation of that report, the committee has devoted its attention to the issues relating to investigative procedures and powers to obtain identification evidence. Last year, the committee presented the first of its reports on this subject, a detailed analysis of the rules governing fingerprinting. That report was tabled in the Legislative Council on 6 October 1987.

The report examines present powers and practices—both in Victoria and in other common-law countries—proposals for change to the law and the legal and philosophical issues relating to fingerprinting. It is, so far as the government is aware, the most comprehensive analysis of the issues associated with fingerprinting which has been produced by any law reform body in the common-law world. I should like to take this opportunity, on behalf of the government, of thanking Mr Coldrey and the other members of the committee for the many hours they contributed to the production of the report and for their major contribution to public discussion of the issues.

THE PRESENT POSITION

Fingerprints were first used by police in Victoria as a means of identification in 1903. For 85 years, the police have obtained fingerprints from suspects with their consent. Under the common law, there has never been power for police to take fingerprints if a suspect refuses; indeed, to take fingerprints against the will of the suspect would be an assault. However, suspects usually consent to provide their fingerprints to police upon request, and the Victoria Police have on record some 568 000 sets of prints. This stock of prints increases by about 17 000 each year. In addition, through the Automated Fingerprint Identification System, the Victoria Police have access to about 1·6 million sets of prints obtained by police forces Australia-wide. This is equivalent to about 10 per cent of the whole Australian population.

THE COMMITTEE'S PROPOSALS

In considering whether a departure from the common-law position is warranted, the Coldrey committee's report brings a welcome sense of perspective to the discussion of police powers. Its measured and sensible analysis of the evidence and the issues relating to police powers stands in contrast with the shrill approach taken by the Opposition. The committee does not suggest that fingerprinting is a panacea for crime. In fact, in paragraph 2.19 of its report the committee observes that:

> Given the small percentage of cases in which fingerprints are relevant at all, and the very small number of cases in which fingerprints are relevant to serious offences, significant overall gains in the "clear-up" rate or the reduction of crime will not be obtained through compulsory fingerprinting powers. In short, fingerprinting is not a prescription for the wholesale reduction of crime in our State.

Nevertheless, the committee recognises that a power to take fingerprints without consent could be decisive in a small number of serious cases and on this basis it recommends a modification of the common law.

In the committee's view, there is a need for the police to be able to obtain fingerprints without consent, so that they can be compared with those found at the crime scene or on an article which would tend to exculpate or inculpate the suspect, such as a weapon used in the commission of the offence. For this purpose the committee proposes that the police be able to obtain a court order requiring the suspect to provide the print. The order would be obtainable from a Magistrates Court or, if the suspect is a child, the Children's Court. If the suspect still refuses to provide the print, reasonable force could be used to enforce the court's order.

If the person is ultimately charged and convicted, the fingerprints could be used in any future case to identify the person as a suspect or to confirm or deny his or her involvement in an offence. If, however, the suspect is not charged, or is acquitted, the fingerprints would be destroyed. There is already power for the Director-General of Corrections to obtain fingerprints from persons sentenced to imprisonment and the committee proposes that this be done in all cases.

THE GOVERNMENT'S RESPONSE

The government has accepted the thrust of the committee's recommendations and they are implemented in the Bill.

The central feature of the Bill and of the committee's proposals is that non-consensual fingerprinting of suspects will be available to police in criminal investigations. The key safeguard balancing this power is the requirement of a court order. This control corresponds with the scrutiny of courts over other intrusive investigative procedures like the use of listening devices and the search of one's house. Judicial supervision ensures a degree of independence in the assessment of whether fingerprinting is justified in the particular case and greatly reduces the likelihood of later disputes.

Some disquiet has been suggested about the committee's proposal that the police be authorised to use reasonable force to execute a magistrate's order. However, the government considers that it is necessary to allow reasonable steps to be taken to obtain fingerprints in those cases in which a suspect refuses to comply with an order. It should be stressed that such cases are expected to be rare. To counter false allegations against police about the way in which prints were taken, the Bill provides that whenever fingerprints are to be taken without consent, either an independent person must be present or the procedure must be videotaped.

Like the mandatory tape-recording of the questioning of suspects in serious cases, which is provided for by the Crimes (Custody and Investigation) Bill, these verification procedures will protect police and suspects alike. They will also greatly reduce the likelihood of later time-consuming and costly disputes in court over the admissibility of evidence.

The government has decided to go further than the Coldrey committee's proposals in two important respects. Firstly, the Bill allows a court to order fingerprinting of a person suspected of a serious offence if there is real doubt about his or her identity and fingerprinting would dispel that doubt. This will allow fingerprinting if, for example, there is reason to believe that the suspect is a known criminal using an alias. Secondly, the Bill allows police to fingerprint all persons convicted of serious offences without their consent. This will help police to maintain accurate criminal records and to keep fingerprints for use in future investigations if the person re-offends.

At the same time, the Bill recognises the vital distinction between a suspect and a person convicted of an offence. A person merely suspected of an offence is presumed to be innocent and should only be subjected to fingerprinting if it is necessary for the investigation or prosecution. After a person is convicted of a serious offence, however, there is a strong social interest in obtaining and filing his or her prints for future use. It is worth noting that no other State or Territory has given such an extensive power to take fingerprints from convicted persons.

The Bill also sets out special rules governing the fingerprinting of children suspected of an offence, an issue upon which the majority of the committee was unable to reach agreement. Consistently with the Children and Young Persons Bill, which raises the age of criminal responsibility from eight to ten years, a child under ten who is suspected of an offence will not be subjected to fingerprinting. A child between ten and sixteen years old, inclusive, will be liable to fingerprinting only by order of the Children's Court. The court will be permitted to make an order if the child is charged with, or in custody for, an indictable offence; if the criteria applicable to adults are satisfied, and if in all

circumstances—including the seriousness of the offence, the age of the child and the alleged degree of his or her participation in the offence—fingerprinting is justified.

The parent or guardian of the child will be notified of an application for fingerprinting. Unlike applications in relation of adults, the child against whom the order is sought will have a right to be represented. Under the Crimes (Custody and Investigation) Bill, if a child is interviewed about an offence, his or her parent or guardian must be present. Under this Bill, a similar rule will apply to the fingerprinting of a child. These special rules are necessary to ensure that a child is not overborne and to ensure, as the committee says, "That any stigmatising effects of fingerprinting only occur in those cases where the offence is so serious that the community cannot tolerate the child being diverted, or dealt with without significant punishment.

Finally, mention should be made of one specific recommendation of the committee which is not incorporated in the Bill. In giving evidence of whether a fingerprint taken from a suspect matches a print found at the scene of a crime, a fingerprint expert will identify points of similarity between the two prints. These are known as matching friction ridge characteristics. Police fingerprint experts in Australia have established twelve matching characteristics in single print comparisons as the minimum standard upon which they will give evidence that two fingerprints are the same. The standard varies from country to country: for example, in Britain the minimum standard is sixteen characteristics and in France it is seventeen but in the United States of America the generally accepted level is eight. The Coldrey committee proposed that the existing minimum standards of comparison used in Australia be enshrined in legislation, to prevent standards being arbitrarily lowered at some time in the future. The government has decided, however, that the maintenance of appropriate standards is better left to courts and to fingerprint experts themselves. At the same time, the government endorses the longstanding practice of Victoria Police fingerprint experts, upon which their high reputation and the considerable probative value of fingerprint evidence depend.

CONCLUSION

The Bill is a further important part of the government's program of reform of the law relating to criminal investigation, an area of law which has long proven to be, in the words of Mr Justice Kirby, "A mortuary of law reform". The Bill presents a sensible balance of measures, providing for more effective criminal investigation within a practical framework of safeguards.

I commend the Bill to the House.

On the motion of Mr JOHN (Bendigo East), the debate was adjourned.

It was ordered that the debate be adjourned until Tuesday, April 26.

ADJOURNMENT

Footscray City Council—Allegations by honourable member for Glen Waverley—Roadworthiness certificates—Rezoning around Essendon Airport—Ex gratia payment for suspended police officer—Credit providers—Possum invasion from Syndal road construction depot

Mr FORDHAM (Minister for Industry, Technology and Resources)—I move:

That the House do now adjourn.

Mr LEIGH (Malvern)—I raise a matter for the attention of the Minister for Local Government concerning the Footscray City Council and the non-payment of parking fines by the honourable member for Melbourne West Province in another place, the Honourable Joan Coxsedge.

It appears that the previous administration of the council allowed Labor Party members of Parliament to park illegally. It is an interesting commentary on the philosophy of the

honourable member for Melbourne West Province, a member of the socialist left faction of the Labor Party, a faction that regards itself as being more equal with the community than other groups.

I do not like paying parking fines, but the fact is that most business people and shopkeepers in my community who leave their cars at a meter for longer than 2 hours face the penalty of a fine. I recognise that and pay the fine accordingly, as do most other people, including the Minister for Sport and Recreation.

The honourable member for Melbourne West Province in another place obviously believes that a member of the socialist left faction of the Labor Party, who professes that she should receive no additional benefits, wants these special privileges.

The honourable member was reported in a newspaper as saying that she is a very busy person and needs to park outside her electorate office to serve her constituents. I recognise that that is so, but business people and shopkeepers also serve the community.

She has no more and no fewer rights than anyone else in that community. Therefore, the honourable member ought to live up to the socialist left platform and serve the community by paying her fines.

Mr Trezise interjected.

Mr LEIGH—The Minister for Sport and Recreation has asked whether I have had the guts and the opportunity to tell her so, personally. I did tell her about a week ago in the corridor outside. Unfortunately, I cannot tell the House what she said because it was an expletive. The honourable member for Warrandyte was staggered by the expletive used by the honourable member from the other House. I had to tell him!

Mr Trezise interjected.

Mr LEIGH—I am asking the Minister for Consumer Affairs, on behalf of the Minister for Local Government, to take some action. I would be interested to know how many other members of the socialist left faction do not pay parking fines because of some special privileges granted.

I am fascinated that finally the Minister for Sport and Recreation indicates he either does not pay his parking fines, or he is a member of the socialist left. He put up his hand when I asked that question!

At some stage the socialist left and its members must live up to the principles by which they claim to live. I ask the Minister for Consumer Affairs, on behalf of the Minister for Local Government, to provide whatever assistance can be provided to the City of Footscray to enable it to perform its duties on behalf of the ratepayers in that area. That is not too much to ask. I ask the Minister to assist the City of Footscray to ensure that ratepayers are able to pay less rates because of the honourable member in the other House paying her parking fines.

Mr HILL (Warrandyte)—I refer a matter to the attention of the Attorney-General. On 3 March 1988 the honourable member for Glen Waverley made the most extraordinary attack in this House on the Director of Public Prosecutions, on various counsel, on a Queen's Counsel, on a former Attorney-General and on other members of the legal profession. The attack concerned the case of *R* v. *McArdle*. The honourable member for Glen Waverley also made similar remarks on the Channel ABV 2 television.

Those remarks led to the former Attorney-General, the present Minister for Transport, bringing a successful action for defamation against the Australian Broadcasting Corporation. After discovering the true circumstances of the case, the corporation admitted that the remarks made by the honourable member for Glen Waverley were untrue and slanderous.

The ABC published a full apology to the former Attorney-General. Unsated, the honourable member for Glen Waverley repeated his untrue and slanderous remarks in Parliament where he is beyond reach of the law.

The privilege that honourable members have in this House is not for that purpose. It was introduced as a protection against the King in the seventeenth century. It allows honourable members to speak fearlessly about matters of public importance and, because it is a privilege, it must be exercised responsibly and in the public interest.

The repetition of comments made by the honourable member for Glen Waverley, which were found to be libellous outside Parliament, is an abuse of the privilege that honourable members have in this House. I ask the Attorney-General to advise the House of his attitude to this disgraceful episode.

Mr GUDE (Hawthorn)—I raise with the Minister for Community Services, who is the representative in this House of the Minister for Transport, a problem that is being experienced by people who issue roadworthiness certificates. At present a person authorised to issue roadworthiness certificates does so on the understanding that the certificate is valid for 30 days.

I understand that the cost of obtaining a certificate is approximately $13.50, and for that the authorised person effectively tests all of the items—and there are about 30—on the certificate and approves them for that 30-day period. A number of licensed testers have recently returned their licenses to the Road Traffic Authority because the risk to their businesses is too high and the reward is too little.

There is a risk because of current consumer laws which allow claims to be made against licensed testers for any deficiency in the certificates before 30 days has expired. It is possible for somebody to innocently change his vehicle in a way which would make it unroadworthy. It is possible for other items to be at fault. A globe in a tail-light could fail and that would make the car unroadworthy within 30 days and allow a claim to be made.

I refer to an article in the Victorian Automobile Chamber of Commerce magazine of September 1987 headed "Your fault!" which states:

> The customer claims that the tester was negligent in performing the test and subsequent repairs and that it is their fault the accident occurred (for example, through faulty brakes).
>
> The story is fabricated; driver error is the real cause of the accident, but the customer chooses to lay the blame elsewhere.
>
> Regardless of circumstances, the tester is the one most likely to be named as the "guilty" or negligent party if the case is brought to a court hearing.
>
> Several recent incidences have highlighted how wide open to litigations testers are over the issuing of roadworthiness certificates. Testers have been declared "negligent" despite RTA officers stating that the test was performed correctly and agreeing with the tester's assessment of the vehicle's condition.
>
> Most testers have no insurance cover for tests performed—as it is extremely difficult to obtain insurance cover for tests and even then extremely expensive.

A number of testers have returned their licences to issue roadworthiness certificates because of the threat to their own businesses. Some of these people have contacted my office because of their concern, and they are prepared to go public on this issue. I have encouraged them not to do that at this stage.

I ask the Minister for Transport to take up this issue. I am prepared to provide to the Minister the information that I have. It appears to be an unjust situation and one which the government should not want to perpetuate in any shape or form. I ask the Minister not just to examine the matter and make a decision some weeks or months from now; this a matter of urgency and real concern.

I am having some difficulty in stopping people from publicly taking further action on the matter. I am concerned about that, because the people who issue roadworthiness certificates have to make their livelihood. They have a reputation and standard to maintain

in the community, and it is disarming to the private citizen, when such a question is raised, to have to worry about how secure a vehicle will be when testing is undertaken.

I ask the Minister for Community Services to consult with his colleague, the Minister for Transport—and probably the Minister for Consumer Affairs has an interposing role in this matter—to ascertain whether the problem can be ironed out expeditiously.

Mr ROWE (Essendon)—The matter I raise for the attention of the Minister for Planning and Environment relates to rezoning of land around the Essendon Airport. I raised the matter with the Minister on 28 March, at which time he agreed to convene a meeting. That meeting took place last evening and was attended by me, and you, Mr Speaker, as the representative for Pascoe Vale, the honourable member for Niddrie, some of my Upper House colleagues, the honourable member for Coburg and also the endorsed Labor candidates for the seats of Niddrie and Pascoe Vale. We took the opportunity at that meeting of conveying to the Minister the real concerns of residents, who face the prospect of the area in which their homes are located being rezoned from residential to industrial/light industrial.

The issue has arisen as a result of a Federal government review of the role of Essendon Airport, which included as one of the options the future expansion of the airport. Also attached to the proposal were recommendations for the creation of buffer zones around the airport.

I know that your views, Mr Speaker, are similar to mine—they are quite strong. At no stage has this proposal been discussed formally by the Commonwealth government, nor has any planning application been made to local councils or to the Victorian government.

However, a number of municipalities and a number of people, particularly councillors from the Essendon City Council, saw fit to convene a meeting on 29 March and, under the seal of the City of Essendon, they circulated pamphlets in my electorate and the electorate of Pascoe Vale urging people to attend a public meeting.

I should like quickly to read some parts of the notice that was sent to residents in the area. The pamphlet states:

> The Federal and State governments want these recommendations implemented to expand Essendon Airport:
>
> Homes to be rezoned industrial.
>
> Significant relaxation of the night curfew.
>
> Make the airport pay its way, which means more traffic, more noise.

As you well know, Mr Speaker, this is a most scurrilous document. There is no proposal to have the area in which those homes are located rezoned as industrial. There has been no statement from either Federal or State government authorities indicating that they would rezone those areas.

I should like the Minister for Planning and Environment tonight to indicate to the House and the community the correct position of the Victorian government on this important issue of rezoning land within the three municipalities concerned.

Mr Leigh interjected.

Mr ROWE—It may be all right for the honourable member for Malvern to laugh at these sorts of issues, but I assure him that the residents in the electorates concerned are fearful of such tactics. The proposal causes them concern, particularly when they receive a document such as that which I have quoted, which seems to have some authority attached to it, through which certain people are trying to make mischief by suggesting that the State government has adopted an attitude about rezoning their homes and properties. In no way is that document supported by the local members of Parliament. I should like a clear undertaking from the Minister on the matter.

Mr COOPER (Mornington)—I direct to the attention of the Minister for Police and Emergency Services and, in his absence, to the Minister for Community Services, a matter

which relates to Gary R. Whelan of Drouin Road, Poowong, who in November 1983 was suspended without pay from the Victoria Police Force after being charged with several offences. He was reinstated in December 1986, more than three years later, after a Police Discipline Board hearing had been held and all the charges had been either withdrawn or dismissed.

The evidence before the court made it clear that the offences had in fact been committed by some other person who had left a cover-up trail pointing to the unfortunate Mr Whelan. Upon reinstatement he received his arrears of pay in a lump sum, which was taxed in the year of receipt, as the law requires.

The Australian Taxation Office has calculated that if Mr Whelan's pay had not been withheld by the police department, his total tax payable in the four years ended 30 June 1987—including the Medicare levy—would have amounted to $28 051.63. In fact, because of the receipt of back pay in a lump sum, the total tax actually assessed according to the law was $40 794.44—a difference of $12 742.81.

Mr Whelan is aged 32 years. He has a dependant wife, who is four years younger than him, and he has one child. He owns a small piece of land but no home. He has nothing in the bank and some debts.

As a result of his difficulties he has been placed under intense pressure and trauma over the past four years. He has suffered a nervous breakdown and is currently on WorkCare. I am advised he will probably be unable to return to work and he expects to be discharged on medical grounds in the near future.

Although the matter is one for the Australian Taxation Office to deal with, it is important that Mr Whelan receives the support of the Victorian government, which should take up with the Commonwealth government on his behalf the matter of this gross injustice.

The government has a grave responsibility in this matter and I hope it will not walk away from it. The government presides over the department which charged Mr Whelan with the offences of which he has been exonerated.

Mr Whelan has suffered a grave injustice not only to his reputation and health over the past four disturbing and traumatic years but also it now appears he has been financially disadvantaged by an amount of approximately $13 000.

I ask the government and the Minister for Police and Emergency Services to back up Mr Whelan in the approaches that have been made by the Federal member for Flinders, Mr Peter Reith, in his efforts to have the Commonwealth government address the issue by making an ex gratia payment of $12 742.81.

It is the least the Commonwealth government and the Australian Taxation Office can do and it is the least that the Victorian government can do to support a person who has been harshly treated.

Dr COGHILL (Werribee)—I direct to the attention of the Minister for Consumer Affairs a matter affecting a number of families in the electorate I represent, a number of persons in Victoria and also in New South Wales. There is a suggestion that the matter may well affect persons in other parts of Australia.

To pick up the interjection and, in passing, I refer to earlier comments made by the honourable member for Kew, that there was not at that stage evidence that it was a corporate affairs matter; it may simply be a matter of fraud which can be dealt with by the Fraud Squad and by the National Crime Authority.

The matter I direct to the attention of the Minister for Consumer Affairs concerns the role played by credit providers, the lenders in this massive swindle. People have been enticed into taking out extraordinary borrowings to finance their investment in this supposedly get-rich-quick scheme. The way in which it was put to these people was that

the scheme would generate sufficient income to repay their borrowings and to provide a major profit in addition to that.

An example of the sorts of borrowings in which people have been involved—and I shall refer to one case only—involves three mortgages over a particular property. The first mortgage over the small farm was for $250 000; the second mortgage was for $150 000; and the third mortgage is believed to have been $600 000. The most reliable estimated value currently available for this farm is of the order of $300 000. It is obvious that there is a major discrepancy between the total value of the first two mortgages alone, much less the third mortgage, and the apparent value of the security on which the mortgages were taken out.

In line with other comments made recently by the Minister for Consumer Affairs concerning the role and responsibility of lenders, there is a responsibility on lenders to advise their clients about and to give some consideration to, before approving loans, the purposes to which the borrowed sums are to be applied—and, consequently, to give consideration to the capacity of the borrowers to repay the mortgages.

In this case the capacity to repay the mortgages is not there because the whole scheme is a fraud. The income that these people were promised when they entered into this scheme has not eventuated and, as a consequence, the individuals are liable for this extraordinary debt, with repayments of the order of $30 000 or more a month. This is not only having a crippling effect on these families, it is devastating them. In the main, they are people who came to Australia from Italy. They had a low level of education in Italy and have lived in Australia in a predominantly Italian-speaking environment. They have dealt in a cash economy and have not had to deal with the complexities of Australian law. They certainly do not have experience in financial management and, through being introduced to the promoters of this scheme by people whom they trusted, they have been sucked into something that is way above their heads and obviously above their capacity to deal with.

I ask the Minister for Consumer Affairs to investigate the role of the credit providers in this swindle and to ascertain what can be done, firstly, to reform their practices and, secondly, to assist the victims of the scheme.

Mr COLEMAN (Syndal)—I direct to the attention of the Minister for Community Services, who is the representative in this place of the Minister for Transport, a matter concerning the possum invasion which emanates from the Road Construction Authority depot in Syndal. That depot has a plantation of cypress trees around its perimeter. It is an area of approximately 10 acres and the trees have been there for some 25 to 30 years and are now large.

Householders whose properties back onto this plantation are being pestered by possums, and attempts they have made individually to try to control the problem have not come to fruition.

The matter was taken up with the previous Minister for Transport in an effort to achieve some resolution of this problem, given that the possums move across from the trees in the Road Construction Authority depot. Unfortunately, the Minister for Transport has so far been unable to provide any information that might assist the householders, other than to suggest that they put dogs in their backyards.

That solution does not suit everybody; and obviously it is not suitable to have a possum exterminator come along and individually service the properties to remove the animals. Some effort ought to be made by the Department of Conservation, Forests and Lands on the issue. It is quite clear that there has been a possum invasion and a possum "epidemic" right across the suburbs of Melbourne. The issue is of some complexity and one needs only to look at the parks in the vicinity to see the increasing possum population.

The Road Construction Authority and the Department of Conservation, Forests and Lands ought to have a meeting to determine a strategy that will bring the possums back to

controllable levels and provide some territorial control over the way they are moving between the depot and the houses.

Mr Roper—How?

Mr COLEMAN—I am not an expert, but there must be some experts out there who can address the issue. It is not good enough for the previous Minister for Transport to say, "Put a dog in your backyard". Not everybody wants to feed a dog. They have enough trouble with the possums eating their plants, without having a dog jumping all over them also!

It is no good merely writing a letter telling these people to put a dog in their backyards because the problem is larger than that. Possums are a protected species, and the householders do not have the capacity or the will to individually exterminate them.

An honourable member—Use a semiautomatic!

Mr COLEMAN—That is another point. You cannot use a semiautomatic on Sundays in a built-up area, as honourable members would know, so that is another problem. Some officers from the Department of Conservation, Forests and Lands should visit the Road Construction Authority depot and arrange for the possums to be trapped at the authority's expense, not at the householder's expense. They should be shifted away and given to someone else. I know possums are territorial and they come back, but at least these people will get some peace for a little while.

Mr MATHEWS (Minister for Community Services)—The honourable member for Hawthorn raised with me a problem relating to the inadequacy of fees for roadworthiness testing. I will take up the matter with the Minister for Transport in another place and see that the honourable member receives an appropriate reply.

The honourable member for Mornington raised for the attention of the Minister for Police and Emergency Services a matter concerning the predicament faced by a previously suspended member of the Police Force, following his exoneration on charges and his reinstatement on the force. I appreciate the seriousness of the matter which the honourable member has described to the House.

I am not sure that it lies within the power of the Minister for Police and Emergency Services directly to do anything on behalf of this member of the force, but I am sure if some representation on his behalf could be made to the Taxation Commissioner on the matter, the Minister will be pleased to pursue that course.

The honourable member for Syndal raised with me, for the Minister for Transport, the oversupply of possums in the Waverley area associated with a plantation, I gather, on Road Construction Authority property. The honourable member sought the intervention of the Minister for Conservation, Forests and Lands. I note that the honourable member for Syndal is now deep in conversation with another possum and I can only hope that the enlightenment that arises from that will be of assistance to him!

Mr ROPER (Minister for Planning and Environment)—The honourable member for Essendon raised the vexed question of the operation of the Essendon Airport. As some honourable members would be aware, and as I am sure you are aware, Mr Speaker, concern exists in the Essendon and Keilor municipalities as a result of a report that was released last year by the Federal government suggesting that there may be land use changes for buffer zone purposes; changing the zoning of land from residential to industrial.

I have been concerned about those recommendations, as has been my colleague, the Minister for Transport. I am pleased to be able to inform the honourable members for Essendon and Niddrie, other interested members in this place, and members in the other place, that the Commonwealth government has made it clear that it does not intend to request any land use changes so far as planning is concerned in those areas.

The situation is that no proposals were under way for changes in those areas to rezone the land from residential to industrial, and Senator Evans has made it clear that the Commonwealth has no such intention.

I am very pleased about that, as I am sure other honourable members will be. This will remove a significant perceived threat from many hundreds of households in the Essendon and Keilor areas and I am sure they will be extremely relieved that the efforts of their local members have had success.

The honourable member for Werribee pointed out that there would appear to have been a number of individuals disastrously affected by what can be described as a most serious fraud and, in fact, many people have lost hundreds of thousands of dollars—and, indeed, up to, and even possibly more than, $1 million. It is certainly money that they and anyone else in their position cannot afford to lose.

I am concerned at any suggestion that people used false selling schemes to do that. I suspect this goes far beyond a normal consumer affairs issue and, indeed, is a matter for senior police at both the State and Federal levels. I am pleased that both the Victoria Police Force and the National Crime Authority are extremely active in this very serious issue.

It is clear that there is great fear in the Werribee area about what has occurred and about exposing what has occurred. Everyone should be grateful to the honourable member for Werribee for taking the attitude he has taken. I am sure the police and the National Crime Authority will back up the efforts of the honourable member for Werribee in assisting these people who have been appallingly disadvantaged by fraud on a huge scale.

Mr SIMMONDS (Minister for Local Government)—The House is indebted to the honourable member for Malvern, who has illustrated again the savage decline in representation which occurred when he replaced the previous honourable member for Malvern, Mr Lindsay Thompson. The present honourable member gave a good example of that when he indicated that he is more concerned about the role of a parking fine gatherer in the City of Footscray than in matters of substance and interest to the House. Honourable members will be aware that the honourable member for Malvern has been declared persona non grata in the City of Oakleigh and that the City of Malvern does not want to have anything to do with him. I can only add my concern about his decline as evidenced by his contribution to the debate.

Mr McCUTCHEON (Attorney-General)—The honourable member for Warrandyte raised a matter related to the grievance debate contribution by the honourable member for Glen Waverley on 3 March and his comments on the case of *R.* v. *McArdle*. The honourable member for Glen Waverley had previously made remarks on ABC television last year and they included comments about the activities of the former Attorney-General, Mr Kennan. Mr Kennan took action against the ABC on that matter and, after considering the situation in total, the Australian Broadcasting Corporation apologised and withdrew all the remarks about Mr Kennan that had been made on the program.

Under the privilege of the House, the honourable member for Glen Waverley went much farther than he had on ABC television and made certain allegations about Mr Coldrey, the Director of Public Prosecutions, and Mr Morrish, a senior barrister who advised the former Attorney-General about the matter. The honourable member for Glen Waverley claimed that, because Mr Coldrey and Mr Morrish graduated in law from the University of Melbourne in the same class as Mr McArdle, they were involved in what he called the "legal old boys' network", and were going out of their way to frustrate the police in their attempts to prosecute the matter.

Mr GUDE (Hawthorn)—On a point of order, Mr Speaker, the Attorney-General is quoting from a document. I ask him to cite the authority of the document.

The SPEAKER—Order! I do not uphold the point of order. It is obvious to me that the Attorney-General is referring to copious notes.

Mr McCUTCHEON (Attorney-General)—The honourable member for Glen Waverley suggested that, out of loyalty to Mr McArdle, both Mr Morrish and Mr Coldrey acted contrary to and in gross breach of professional ethics. A more serious slur could hardly be cast on the reputations of the Director of Public Prosecutions and a barrister acting for the Attorney-General.

For the record, I should like to put the facts correctly: neither Mr Morrish nor Mr Coldrey associated with Mr McArdle—as suggested by the honourable member for Glen Waverley—at the University of Melbourne or during their professional lives. Mr Morrish has said that until the morning of the court hearing he did not recall having seen Mr McArdle for twenty years. Mr Coldrey has no recollection——

Mr LEIGH (Malvern)—On a point of order, Mr Speaker, although I accept your ruling that the Attorney-General is reading from notes, it is also obvious to me that he has copies of correspondence from which he appears to be quoting. I ask you, Sir, to ask the Attorney-General to make copies of that correspondence available to the House.

The SPEAKER—Order! I take exception to the fact that frivolous points of order are raised at this hour of the night. It is obvious that the Minister has not quoted from any letter of which I am aware—and I am in a position to be able to see what he is doing. I do not uphold the point of order.

Mr McCUTCHEON (Attorney-General)—I was saying, to clear the record, that, first of all, Mr Morrish has said he has——

Honourable members interjecting.

Mr McCUTCHEON—If the honourable member for Malvern, who is interjecting, is patient, I shall table the letter. Mr Morrish said that he could not recall seeing Mr McArdle for some twenty years. Mr Coldrey has no recollection of ever having met Mr McArdle. I believe the comments made by the honourable member for Glen Waverley are totally unfounded and scandalous.

Honourable members interjecting.

Mr McCUTCHEON—I am apalled that the honourable member has made outrageous comments about the Director of Public Prosecutions and has cast aspersions on his staff.

Mr Gude interjected.

The SPEAKER—Order! The honourable member for Hawthorn is out of his place and out of order. If the honourable member wants to take me on at this hour, I shall accommodate him.

Mr McCUTCHEON—Aspersions have been cast on the Director of Public Prosecutions and his staff and on other lawyers engaged in making prosecution decisions. I refer to a letter that Mr Coldrey has sent to me. He has agreed that the letter should be made available. I should like to make it available to the House. I seek leave to have the letter incorporated in *Hansard.*

The SPEAKER—Order! I have seen the document. Is leave granted?

Mr COOPER (Mornington)—No!

The SPEAKER—Order! Leave is refused. The Attorney-General may make the letter available to the House.

Mr McCUTCHEON (Attorney-General)—I shall summarise what is in the letter. It is clear that Mr Coldrey and other officers involved in the case acted with complete propriety——

Mr Gude interjected.

The SPEAKER—Order! I shall not warn the honourable member for Hawthorn again!

Mr McCUTCHEON—Mr Coldrey says that after the finding of the grand jury he referred the case to the then Attorney-General, who, under section 99A of the Director of Public Prosecutions Act, sought advice from Mr Morrish, a Queen's Counsel with extensive experience in criminal law. Mr Morrish was assisted by another experienced barrister, a Mr Barnett. Both Mr Morrish and Mr Barnett conducted a painstaking review of the evidence and provided detailed advice to the then Attorney-General. Both Mr Morrish and Mr Barnett were firmly of the view that the evidence then available did not sustain the charges.

The events in question occurred more than sixteen years earlier, and an important witness had died in 1976 before any complaint was made to the police. The then Attorney-General accepted the advice given by Mr Morrish and gave instructions that the case not proceed, for to have done otherwise would have flown in the face of advice from both Mr Morrish and Mr Barnett, and the considered opinions of the Director of Public Prosecutions, Crown Counsel, a prosecutor for the Queen, a solicitor acting for the Director of Public Prosecutions, and the head of the public prosecutor's crime group. It would have been totally irresponsible, as well as a gross waste of public money, if the case had proceeded.

Mr Brown—He graduated with him—true or false?

Mr McCUTCHEON—The Opposition keeps raising the question of them being in the same class at law school. I have already said that one of them certainly had not had any contact with Mr McArdle for twenty years and the other does not recall having ever met Mr McArdle.

Mr Reynolds—They were in the same class, though.

Mr McCUTCHEON—So what!

Honourable members interjecting.

The SPEAKER—Order! I call the honourable member for Gisborne to order.

Mr McCUTCHEON—The former Attorney-General took the only proper course available in terminating the proceedings. Many honourable members on both sides of the House know Mr Coldrey, Mr Morrish and other members of the legal profession named by the honourable member and would appreciate that they are incensed at the implications made about them.

The issue concerns the administration of justice. The reputation of the Director of Public Prosecutions should not be sullied by uninformed and irresponsible comment. The government established the position of the Director of Public Prosecutions, a move which had bipartisan support at the time. It was to ensure that prosecution decision making was removed from the political arena. The least the honourable member for Glen Waverley could do would be to withdraw his comments.

The motion was agreed to.

The House adjourned at 12.22 *a.m. (Friday) until Tuesday, April* 19.