Tuesday, 29 October 1991

The SPEAKER (Hon. Ken Coghill) took the chair at 2.5 p.m. and read the prayer.

PRIVILEGE

The SPEAKER — Order! I wish to draw to the attention of the House my grave concern at a serious breach of the procedures adopted by this House for raising matters of privilege.

On 19 April 1978, Speaker Wheeler made a statement to the House regarding the manner in which matters of privilege should be raised following important procedural changes resulting from a House of Commons Select Committee report. The purpose of the new procedures was to require a member raising a complaint to write to the Speaker giving details of the matter and for the Speaker to then consider whether there was a prima facie case which should have precedence.

This procedure was adopted to remove the issue from immediate debate in the Chamber in order to protect the rights of the members or persons involved which could be adversely affected by instant reaction, publicity and speculation. It also provided the Chair with sufficient opportunity to give the matter due consideration.

As part of that statement, Speaker Wheeler indicated:

> Except for the member's right to give notice of a substantive motion, the member may not otherwise raise the matter in the House.

With that restriction being placed on the member raising the complaint, it is implicit that greater restrictions would apply to any other member regarding disclosure or discussion of the substance of the letter.

On Thursday, 24 October 1991, just prior to 12 noon, the Deputy Leader of the Opposition lodged a complaint, in writing and in accordance with the adopted procedures, for my consideration. It is not my intention to discuss the nature of the complaint.

Subsequently I was informed that prior to the time of Mr Gude's lodging the complaint, the Leader of the Opposition held a press conference at which the matter was discussed in some detail, even to the point of stating that the letter was then being typed as he spoke.

It was also stated that there had been earlier communication concerning another letter in which I had advised that that case was not a breach of privilege. If there were such a letter, it was not the role of the Chair to determine whether there was or was not a breach of privilege.

Furthermore, as a result of the press conference, Mr Gude's reputed complaint was the subject of news broadcasts and print media reports later that day.

In the *Herald-Sun* of 28 October a further article appeared, which states:

> It is expected the Legislative Assembly Speaker, Dr Coghill, will announce tomorrow whether Mr Kennett has succeeded in his latest attempt to have Mr Spyker brought before the Parliamentary Privileges Committee again.

On a previous occasion, when ruling on the complaint made by the Leader of the National Party, I expressed similar concern at the disclosure of the content of that complaint.

On 1 October 1991 I advised the House as follows:

> It is grossly improper that the existence and details of a letter from a member to the Speaker alleging a breach of privilege should have become public. The confidentiality of such correspondence is essential to protect the rights of a member who has made a complaint, to protect the rights of any person — be they a member of Parliament or not — against whom a complaint has been made, and to protect the right of the Chair to determine the matter free from inquiries and speculation by the media or others.

I also refer to the statement of Speaker Plowman on Wednesday, 6 June 1979, in which he raised similar concerns. I will quote the two relevant sections of that statement:

> 1. I return to the subject of the letter between the honourable member and the Speaker. This is a confidential and private document between the honourable member concerned and the Speaker and it should be regarded as such by all parties so that the rights of members are upheld, the right of the honourable member raising the question with the Speaker is upheld and also the rights of the honourable member or members or persons against whom a breach of privilege is raised.

> At no time would the Speaker convey to the honourable member or person concerned the fact that a breach of privilege was being considered against him until such time as the Speaker had replied to the letter from the honourable member concerned advising him that there was a prima facie case. In that manner, the rights of the honourable member concerned are upheld so that he does not suffer a stigma following any potential move against him on a privilege case ...
>
> 2. However, it was brought to my attention by an honourable member telephoning me that this morning on at least one news station a story was carried that an honourable member had written to me as Speaker regarding a breach of privilege against the Premier.
>
> This in itself is not a breach of privilege, but I suggest to honourable members that it is a serious breach of propriety and ethics of this place. I stress that those principles need not necessarily have been breached by an honourable member. I wish to emphasise to honourable members, so the rights of all honourable members on all sides of the House can be upheld, that in this situation honourable members should ensure confidentiality between the member and the Speaker to ensure that no person — and that applies to staff of this place, staff of members or members themselves — divulges that confidentiality, in order to uphold at all times the rights of all members of this place.
>
> It is grossly improper that the existence and details of a letter from a member to the Speaker alleging a breach of privilege should have become public.

As Speaker Plowman indicated, the obligation to maintain confidentiality is on the author of a letter of complaint and on every other person with knowledge of the complaint.

The procedures currently adopted by the House are designed to protect the rights of the member raising the complaint and the member against whom the complaint is lodged by requiring confidentiality until the matter has been ruled upon. Furthermore I believe the procedures are fundamental to protect the rights of all honourable members and the integrity of the House itself. It is not normal practice for the House to be advised if the Chair rules that there is no prima facie case. However, I believe it is necessary to do so on this occasion as it demonstrates the damage that is done to members and the institution of Parliament when these matters are the subject of public disclosure, discussion and speculation prior to the ruling by the Chair.

I repeat what I said to the House on 1 October 1991:

This latest instance, so soon after the issue had been directed to the attention of the House, can be regarded only as deliberate and as quite contemptuous of the House.

As Speaker Plowman indicated, such an action is not in itself a breach of privilege.

However, I have not exercised my authority to make a determination as to whether there is a prima facie case of a contempt of the Parliament.

The continued breach of the procedures for raising matters of privilege will ultimately destroy the credibility of the practices which the House itself has adopted. Whenever any practice of the House is undermined, it undermines and weakens the credibility and effectiveness of Victoria's entire Parliamentary system of government.

I advise honourable members that in the event of disclosure of information of complaints of privileges raised with the Chair, I will rule that such complaints are out of order.

This action is, regrettably, necessary to protect the very integrity of the institution of Parliament.

QUESTIONS WITHOUT NOTICE

PUBLIC TRANSPORT CORPORATION CONTRACTS

Mr BROWN (Gippsland West) — Will the Minister for Transport assure the House that no other Public Transport Corporation employees have Gordon-style contracts, including the lucrative out-clause, namely, clause 5.5?

Mr SPYKER (Minister for Transport) — I thank the honourable member for his question; he would be well aware that I was most concerned about the recent events. The Director-General of Transport has asked for all contracts to be reported to him. He has issued instructions that no new contracts will be entered into without Ministerial approval.

The director-general is also undertaking a full investigation of all contracts in the Public Transport Corporation in response to the question from the

Estimates Subcommittee of the Economic and Budget Review Committee, and that is the proper process by which information should be provided.

Mr McNAMARA (Leader of the National Party) — I ask the Minister for Transport whether it is a fact that Mr Peter Parkinson, a former Victorian Trades Hall Council official and now a senior officer with the Public Transport Corporation, has a contract that duplicates the Gordon contract, including the lucrative 5.5 out-clause?

Mr SPYKER (Minister for Transport) — Firstly, Mr Parkinson, who works in industrial relations, does an excellent job — —

Mr Elder — You don't know anything about this one, either, do you? You don't know about anything!

Honourable members interjecting.

The SPEAKER — Order! I advise the honourable members for Ballarat North and Malvern that they are quite out of order in their interjections. If necessary I am prepared to take the appropriate action against them. I ask them both to remain silent.

Mr SPYKER — To make sure that Peter Parkinson could act independently in his role and review the situations that both the unions and the Public Transport Corporation put to him — and I stress that Mr Parkinson is not attached to my office — he is employed on the basis that half of his salary is paid by the PTC and the other half is paid by the Department of Labour.

His role does not duplicate anything that Mr Gordon did. He is purely an independent person and he does an excellent job in dealing with the issues raised in transport in the role that he performs.

Mr McNAMARA (Leader of the National Party) — On a point of order, I ask you, Mr Speaker, to draw the Minister back to relevance.

Honourable members interjecting.

Mr McNAMARA — The Minister did not answer the question, which related to whether Mr Parkinson's contract had a lucrative out-clause similar to that in Mr Gordon's contract.

Mr CRABB (Minister for Tourism) — On the point of order, Mr Speaker, as honourable members would know it is fairly clear that Ministers are entitled to answer questions in any way they deem fit.

Honourable members interjecting.

Mr CRABB — Ministers in this place have always answered as they see fit.

Mr Gude interjected.

Mr CRABB — I can recall, when I was sitting over there and you sat up the back somewhere — briefly, as I recall it — and never got a chance, some pretty corny answers from that lot, only a couple of movements to the left, I notice!

The fact is that Ministers have a right to answer questions in any way they deem fit. On the question of relevance, the answer given by the Minister for Transport was entirely relevant to the matter and this point of order is entirely spurious, either in an attempt to repeat the question or to provide a supplementary question. If the opposition wants to ask supplementary questions, they should put a proposition to the House so that the Standing Orders can be changed to accommodate that, but they should not be trying to do so by raising spurious points of order.

Mr McNAMARA (Leader of the National Party)—Mr Speaker — —

The SPEAKER — Order! The honourable member should wait until I rule on this point of order. The honourable member for Caulfield, on this point of order.

Mr TANNER (Caulfield) — On the point of order, the Standing Orders of Parliament dictate that a Minister may answer a question as he sees fit or he may not answer at all. In this instance the Minister did not address himself to the question. I think the Leader of the National Party is quite in order on the point he has raised.

Mr ROPER (Treasurer) — On the point of order, Mr Speaker, there have been two questions — —

The SPEAKER — Order! I warn the honourable members for Malvern and Ballarat North, both of whom have already been cautioned, that they are not allowing the Leader of the House an opportunity to make his remarks, let alone be heard clearly. If either honourable member offends again I will be prepared to take action against him immediately.

Mr ROPER — In relation to the point of order raised by the Leader of the National Party, it has been made very clear by the Minister for Conservation and Environment that Ministers may answer questions in any way they think fit so long as they do not debate the matter. There can be no doubt that the two questions asked of the Minister for Transport so far today were related. The Minister gave a detailed answer to the first question, and if the Leader of the National Party had been listening he would not have asked the second question. In fact, if the opposition had a competent questions committee it would probably have attempted to include a different question.

Under the Standing Orders the Minister for Transport may answer questions in the way he thinks fit, provided he does not debate the matter.

The SPEAKER — Order! On the point of order, the question was not limited to the extent characterised by the Leader of the National Party in his point of order. I do not uphold the point of order. It is the view of the Chair that, as distinct from the point of order, the Minister's reply was relevant to the question asked.

SOVIET FISHING FLEET CONTRACT

Mr WALSH (Albert Park) — Will the Premier advise the House what action is being taken to ensure that Victorians will benefit from the ship repair and servicing facilities for Soviet fishing vessels, which it is proposed to establish in the port of Melbourne?

Ms KIRNER (Premier) — I thank the honourable member for his question and interest in these matters — as an ex-wharfie he would understand the importance of the contract the government has signed.

I am pleased to inform the House that Victoria has just gained sole and exclusive rights to service the Soviet Union fishing fleet. An agreement has been signed between the Soviet Union and the Melbourne Ship Repair Group, a group of private sector operators in the port, to guarantee the work. The Soviet Union fishing fleet comprises about 80 vessels and most of the maintenance on those vessels is presently carried out in Singapore.

There has been competition for the maintenance contract between Tasmania, New Zealand and Victoria, and I am extremely pleased that Melbourne was successful. I believe one of the reasons why Melbourne gained the contract was that, as a result of winning the $4 billion AMECON contract, it has established its reputation as a centre of marine excellence. I am sure that John White and others at AMECON will be pleased that their dreams for the expansion of that centre of excellence are coming true.

This contract will not only provide jobs for Victorians — 600 direct and 1000 indirect jobs in the next few years — but will provide up to $100 million a year in export earnings for Australia.

It is some time since there has been such an important addition to the number of jobs available in Victoria and it has resulted solely through the work of David White, the Minister for Manufacturing and Industry Development, and his department. The kind of partnership evident here between industry and my government illustrates the kinds of jobs for the future that we are determined to have.

It is in stark contrast to the attitude of the Leader of the Opposition, who constantly runs down the economic standing of Victoria and makes it his business to comment every day that Victoria is in economic trouble. The Minister for Manufacturing and Industry Development takes an entirely different view. He takes the view that the government has a responsibility to take a lead in saying that the Victorian economy is recovering and in making it happen.

The kind of contract that was signed on Sunday night will establish another niche in Victoria's recovery. It will have an impact on infrastructure and support industries and on the floating dry dock facilities. Eventually a new Soviet dry dock will be imported.

Mr Perton — How much are we paying for the Soviet dry dock?

Ms KIRNER — We know the honourable member for Doncaster does not like good news for Victoria, and it is the same with the rest of the opposition.

Mr Kennan — Do you oppose this?

Ms KIRNER — I would not be surprised if the opposition found something in this to oppose. It would be just like opposition members because they are like Micawber; they want to wring their hands about everything, even the good news.

The other kinds of benefits from this contract include the fact that Melbourne will be regarded as the hub of transport and maintenance for the south-east region. That position, which we have been trying to establish, will be given a boost by this decision. As well as that, part of the agreement involves Aeroflot, the Soviet airline, operating crew exchange charter flights to Melbourne Airport. With 90 crew on each vessel changing over every six months, that is a large potential increase in income for Melbourne Airport.

I look forward to the agreement providing a springboard for more business between Victoria and the Soviet Union, which is a major potential market for Victoria.

PUBLIC TRANSPORT CORPORATION CONTRACTS

Mr GUDE (Hawthorn) — I direct a further question to the Minister for Transport and I ask the Minister to confirm or deny that Mr Parkinson's contract was agreed to and was dated 11 July 1990, the same time as Mr Gordon's contract was negotiated and drafted. Was Mr Parkinson's contract signed by Mr Stoney and witnessed by Mr Gordon?

Mr SPYKER (Minister for Transport) — As I said in answer to a previous question, a number of questions have been asked by the estimates subcommittee in relation to contracts in the Public Transport Corporation. I want to make sure I am aware of the full facts and that is why I have asked the director-general to ensure that all contracts in the PTC are reported to him. He also gave clear instructions that no contracts are to be entered into without Ministerial approval. The director-general has undertaken a full investigation. I believe that is a right and proper process.

I say again that Peter Parkinson is not attached to my office. He is not even in the Transport House building. He is a conciliator and his role is to deal with industrial relations issues. When those investigations are completed the estimates subcommittee will be advised.

STATE SUPERANNUATION FUND

Mr KENNEDY (Bendigo West) — Is the Treasurer aware of recent allegations made against the State Superannuation Fund? If so, will he advise the House of the outcome of his examination of this matter?

Mr ROPER (Treasurer) — I thank the honourable member for his question and his continuing support for what is occurring with State public servants, especially in the Department of Agriculture.

On the weekend I was alarmed to learn that the Leader of the National Party had issued a statement suggesting that the State Superannuation Fund was in crisis. As a result of this claim and the reporting of the claim unnecessary concern has been caused to those few public servants who might believe what the Leader of the National Party has to say — a reducing number, I point out. Nonetheless, it has been a cause for concern to some public servants and their families.

The Leader of the National Party obviously decided that superannuation was to be the issue to end this session with, just as the Leader of the Opposition attempted to end last session with the issue — and he will have about the same success!

The Leader of the National Party suggested, firstly, that the superannuation fund was in difficulty because of the well-known downturn in the property market. If he had bothered to make inquiries he would have learnt that only 18 per cent or thereabouts of the fund's investment portfolio is in property.

The Leader of the National Party then went on to say — —

Mr McNamara interjected.

Mr ROPER — He is parroting it again — "Has it been valued?". If he had bothered to make inquiries he would have been aware that valuers are appointed by the board to carry out valuations on a three-yearly basis, with an annual update. The annual report presented to Parliament is based on those valuations, and after receiving the valuations the board carries out any necessary revaluations of its assets.

The Leader of the National Party then went on to say that, with the likely departure from the Public Service of 10 000 public servants, further difficulties would be encountered, with the potential for a lack of funds by March next year.

Again, if he had bothered to seek advice he would have been aware that the board's estimates for this year are based on a net exit of 11 000 public servants — 5000 through retirements and resignations, and 6000 departures as a result of public servants taking

up enhanced resignation packages. The figure contained in the Budget is based on those estimates.

When I received a copy of the comments of the Leader of the National Party I was disturbed to read them, as was the President of the State Superannuation Board, David Elsum, a distinguished Victorian, who many members on the other side of the House would regard as a most appropriate person to occupy the position of president of the superannuation board.

David Elsum has written to me about the press reports, pointing out, firstly:

> The State Superannuation Fund is a conservatively managed and invested fund. Its reported returns over the last three years are, 1989, 11.2 per cent, 1990, 11.7 per cent, and 1991, 8.1 per cent. I emphasise that these returns are after writing all assets to market value, including property.

Mr McNAMARA (Leader of the National Party) — On a point of order, Mr Speaker, it seems that the direction the Treasurer is taking is based on an attempt to debate the issue. I am sure that if he would like to give government business time to the debating of the issue we would be more than happy to accommodate him. The fact is that public sector superannuation is $17 billion — —

The SPEAKER — Order! The Leader of the National Party is well aware that he may not use a point of order to attempt to debate the question. I warn him, and I will not warn him again. He was persistently interjecting against the Treasurer while he was giving his answer, which can only add to the length of an answer and may have contributed to the comments that caused the Leader of the National Party to raise his point of order. I do not uphold the point of order.

Mr ROPER (Treasurer) — Mr Elsum, who, as I said, I am sure many members opposite would regard as a highly distinguished Victorian, also says in his letter:

> The fund is highly liquid and stands ready to meet all foreseeable claims that are made upon it.

The president of the fund concludes his letter by saying:

> The State Superannuation Fund is one of Australia's largest superannuation funds. It is soundly managed by an independent board and will continue to serve the public servants of this State — —

Mr McNamara interjected.

Mr ROPER — You should listen to these words, because you are simply attempting to scare people, just as the Leader of the Opposition attempted to scare people about superannuation last session.

Mr J. F. McGRATH (Warrnambool) — Mr Speaker, my point of order is that the time the Treasurer has taken to answer the question amounts to an abuse of question time. I note that the two questions asked this morning by government backbench members have taken more than 5 minutes each to answer, while the opposition has had three questions answered in that period.

This is a blatant abuse of question time and I ask you, Mr Speaker, to ask the Treasurer to round off his answer so that meaningful business can take place.

Mr POPE (Minister for Labour) — On the point of order, Mr Speaker, the question asked of the Treasurer is of great importance to many workers in this State.

Honourable members interjecting.

The SPEAKER — Order! The Minister for Small Business and the honourable member for Murray Valley are well aware of the provisions of Standing Orders and I ask them to remain silent.

Mr POPE — The issue has been raised with me in my capacity as Minister for Labour by a number of members of the State Superannuation Scheme and the Treasurer is putting on the record a position that obviously should be put on the record because of the disgraceful efforts of the Leader of the National Party in attempting to undermine the confidence people have in that scheme.

Honourable members interjecting.

The SPEAKER — Order! I will not again warn the Leader of the National Party. I do not uphold the point of order. The answer was undoubtedly lengthened by the earlier point of order and by persistent interjections made against the Treasurer during his answer. I ask the Treasurer to round off his reply.

Mr ROPER (Treasurer) — I was pointing out to honourable members, and particularly the Leader of the National Party, that the president of the fund, Mr Elsum, concluded his advice to me by pointing out that the fund is soundly managed by an independent board and will continue to serve the public servants of the State on an efficient and non-political basis.

The State Superannuation Board has significant investments. Its reports to Parliament set out those investments and their growth over recent years and to suggest, as the Leader of the National Party has, that public servants' money is at risk is grossly irresponsible. He should now seek advice from Mr Elsum and then apologise.

PUBLIC TRANSPORT CORPORATION CONTRACTS

Mr BROWN (Gippsland West) — I direct a further question to the Minister for Transport. Was Mr Parkinson's contract varied on 9 September 1990 after only three months employment with the Public Transport Corporation to an SES 6, level 4, at an annual base salary of $102 000 — —

Mr Kennett — How much?

Mr BROWN — It is $102 000. Will the Minister advise the House of the length of the contract and who approved the inclusion of clause 5.5 in the contract — was it the Minister's close personal friend, Mr Gordon?

The SPEAKER — Order! Before calling the Minister I remind all honourable members asking questions that they may be required to vouch for the accuracy of the assertions they make in their questions.

Mr Kennett — Disgraceful! What about that side? What a reflection!

Honourable members interjecting.

The SPEAKER — Order! I warn the Leader of the Opposition. I am quite prepared to take action against him if he continues to disrupt question time.

Mr SPYKER (Minister for Transport) — I know members of the opposition are slow learners. I indicated on two previous occasions that my director-general is making a full investigation of all the contracts within the Public Transport Corporation, and when that is completed — —

Mr BROWN (Gippsland West) — My point of order is that this Minister of the Crown has a responsibility via Parliament to answer questions without notice that are in the public interest and are relevant. The Minister is continuing to hide behind the veil of a senior person in his bureaucracy and for the third time consecutively has refused point-blank to answer the question. I ask you, Mr Speaker, to direct the Minister either to answer the question or not seek to answer it and remain seated.

Mr CRABB (Minister for Tourism) — On the point of order, as has already been mentioned in the House today, Ministers properly have the right to answer questions in whatever way they think is appropriate. If honourable members opposite wish to use question time as a means of making imputations against Ministers instead of asking questions, they can hardly expect to get treated any differently. The fact is that if any member opposite asks a Minister about the detail of some piece of paper, he is not likely to get an answer off the top of that Minister's head, any more than I would if I were to ask the honourable member for Gippsland West about the details of his family trust. He wouldn't know much about it, either, and would be very reluctant, as I recall, in giving any evidence. If we asked him about his dealings involving rezoning in Wonthaggi he would not be too pleased.

The SPEAKER — Order! The Minister should confine himself to matters directly relevant to the point of order. Has the Minister completed his remarks?

Mr CRABB — Yes.

The SPEAKER — Order! I do not uphold the point of order. The Minister for Transport has not completed his reply; indeed, he is at an early stage of his reply. In answer to earlier questions on the matter of the same contract the Minister has advised the House of inquiries he has initiated, which is entirely proper and relevant. If the Minister wishes to give further information in respect of that aspect of the contract he will be in order.

Mr SPYKER (Minister for Transport) — It is proper that the investigation is done. As I indicated, Mr Parkinson is employed by the PTC and the Department of Labour, and when the director-general has concluded his investigation I will advise the House.

Mr McNAMARA (Leader of the National Party) — I ask the Minister for Transport, who has

responsibility for that portfolio, who first drew up the Public Transport Corporation contract that included clause 5.5 as contained in both the Gordon and Parkinson contracts and who approved the inclusion of that clause, which allows the gross misuse of public funds?

The SPEAKER — Order! The latter part of the question includes an expression of opinion. I ask the Leader of the National Party to rephrase it.

Mr McNAMARA — I shall rephrase the last part of my question and refer to "generous payouts".

Mr SPYKER (Minister for Transport) — It is really appalling that opposition members are such slow learners. They ought to refer to my previous answer.

ENVIRONMENT PROTECTION AUTHORITY

Mrs GARBUTT (Greensborough) — Will the Minister for Conservation and Environment inform the House of the progress of efforts by the Environment Protection Authority to further improve the detection and prosecution of polluters in Victoria?

Mr CRABB (Minister for Conservation and Environment) — The Environment Protection Authority deserves the congratulations of the House for the efforts it has made to reduce the amount of pollution, particularly in this city and in the State in general, over the past decade.

Last financial year, for the first time since monitoring began over twenty years ago, there were no breaches of the acceptable ozone level in Melbourne's airshed. That is the result of diligent work by the EPA, whose continual concentration on preventative measures and pre-emptive inspections contributed to Melbourne gaining the title last year of the world's most livable city.

The EPA is continuing the program it has conducted over the past ten years. Last week in the Dandenong Creek area, including Knox, where I live, Waverley and Croydon there was extensive investigation of industrial premises. Some 300 premises were visited and 72 were given follow-up measures that they were required to take. The week before in the Mordialloc Creek area and around Moorabbin 130 factories were inspected. Two infringement notices were issued and advisory notices were issued to other factories. The week before that the EPA inspected 218 industrial premises in the Darebin Creek area, and 24 were advised to improve their environmental management in specific ways by a certain time or they would be prosecuted.

Consequently I was very disappointed last week when the Honourable Mark Birrell in another place alleged that the EPA was "a pathetic failure" and claimed that only 30 prosecutions had been carried out by the EPA compared with 249 in New South Wales. That is either stupidity, an outrageous misrepresentation or an outright lie, because it is simply not true.

The real numbers are as follows: in regard to general industrial prosecutions and infringement notices in Victoria, 434 were issued in that financial year, compared with 102 in New South Wales; in regard to industrial waste transport, 61 were issued in Victoria, compared with none in New South Wales; in regard to motor vehicles, 585 were issued in Victoria, compared with 183 in New South Wales. There were 988 in Victoria as opposed to 249 in New South Wales. In other words, there has been four times as much activity in this State as there was in New South Wales.

It is not the Environment Protection Authority that is the pathetic failure; it is the opposition and its spokesman on the environment!

PUBLIC TRANSPORT CORPORATION APPOINTMENTS

Mr BROWN (Gippsland West) — I direct a further question to the Minister for Transport. I refer the Minister to his claims that he arranged for Mr Gordon's employment at the Public Transport Corporation and I ask: did the Minister also discuss with Mr Gordon the recruitment and appointment of Mr Parkinson and other Trades Hall Council officers to the PTC?

Mr SPYKER (Minister for Transport) — Obviously, when there was a request for an industrial conciliator to be appointed, discussion took place between the Minister for Labour and me.

NON-GOVERNMENT ARTS SECTOR

Mr NORRIS (Dandenong) — Will the Minister for the Arts advise the House of the latest government initiative to support the growth and development of the non-government arts sector in Victoria?

Mr DELZOPPO (Narracan) — On a point of order, Mr Speaker, I direct your attention to the advice you circulated to honourable members on questions without notice, in which you say that the purpose of a question is to seek information, not to give information, and that it should not raise questions of policy too large to be dealt with in an answer to a question. You went further to say that this sort of question should be left for a Ministerial statement. I put it to you, Sir, that the honourable member's question falls into that category, and I ask you to rule it out of order.

The SPEAKER — Order! In his question the honourable member for Dandenong asked for information on recent action.

Mr Norris — Correct.

The SPEAKER — I am glad I got it right! I remind the honourable member that he should not speak while the Speaker is on his feet.

However there is a second aspect of the question which deserves comment: the honourable member asked a question in relation to non-government activity. The Minister would be in order in commenting only in respect of government actions and government policy as they relate to non-government arts activities. I do not uphold the point of order but I ask the Minister to confine his remarks to recent matters which may not yet be public knowledge and matters of government policy and administration.

Mr KENNAN (Minister for the Arts) — Thank you, Mr Speaker. I can well understand that the opposition is apprehensive about this answer because it is a further example of the government's commitment to the arts throughout Victoria, a positive example of what we are doing in relation to the arts, and another example of where the opposition has no policy and no interest whatsoever. It is typical that opposition members would complain about answers of substance in this House because there is nothing they like less than substance and good news.

The government has today announced the allocation of some $8.855 million to non-government arts organisations and companies throughout Victoria.

As honourable members opposite, particularly those in the corner party, know the government has spread these grants and other arts grants right throughout regional Victoria; the grant of $5000 to the Wangaratta Jazz Festival for this weekend is an example of that.

Mr Jasper — Only $5000.

Mr KENNAN — They wouldn't get a cent from the lot on the other side. You won't get a cent from this lot!

Mr Jasper interjected.

The SPEAKER — Order! If the honourable member for Murray Valley wishes to comment on the matter he should await an appropriate opportunity. I ask honourable members on both sides of the House, including members behind the Deputy Premier, to remain silent.

Mr KENNAN — Of course, the Wangaratta Jazz Festival got another $7000 from the Victorian Tourism Commission, so that makes $12 000 it has received. If the honourable member for Murray Valley does not like it he can pass it on to Shepparton or to Benalla. I am sure they won't knock it back!

There are 400 of these grants totalling $8.655 million — an increase of $266 000 on last year — that go to the performing arts, the visual arts, literature and community organisations.

As has been the case with grants to the Wangaratta Jazz Festival and the Montsalvat Jazz Festival — we hold the best festivals of that kind — grants for literature have been increased by 48 per cent this year. More than half of the literary journals published in Australia are produced in Victoria, which is another example of our cultural strength and richness. The Writers Festival grant has been increased by $15 000. This year it was an extraordinary success, with some 8500 people down at the Playbox Theatre in one weekend, again expressing the great strength we have in this area.

New dance projects will be funded to the extent of $45 000 and music organisations will receive $2.6 million. The Victorian State Opera (VSO) will receive among other grants a special grant of $100 000 towards the Ballarat Festival project. Honourable members will be aware that the government has refurbished the Ballarat Theatre so that it is one of the finest in Australia. The VSO will be appearing there for a couple of weeks over Easter next year and the grant of $100 000 will be welcomed and appreciated in Ballarat.

In addition to the Melbourne International Festival of the Arts, which receives more than $2 million from the government, no fewer than 30 other festivals funded through this program throughout Victoria to the extent of $442 000.

It is not just about the mainstream area that the government is concerned, it is also concerned to encourage young artists. The innovative Gertrude Street Artists Space is receiving an increased grant from $70 000 to $77 500. The Australian Print Workshop — again an example of our great cultural infrastructure, where we have eminent artists like Geoffrey Smart returning to Australia and Melbourne and making their prints there — will receive an increase from $95 000 to $100 000.

I remind the House that recently the Director of the Sydney Theatre Company on his return to Sydney after visiting Melbourne said that Sydney was in danger of becoming a cultural backwater compared to what was going on in Melbourne. The grants to a whole range of theatres, including fringe theatres, will continue to cement Victoria's pre-eminent position in the arts. Victoria has the leading role in films, scooping the pool in the film awards; the leading role in literature; and the leading role in jazz festivals — whether they be in Melbourne or in Wangaratta. And above all, fifteen seeding grants are being provided to community groups and local government to plan further cultural activities.

I congratulate the honourable member for Bentleigh for the work she is doing with her local community, which is developing cultural plans. The seeding grants the Ministry is giving to a range of other local organisations and communities will help to produce cultural plans and improve cultural facilities at the local levels.

MINISTERIAL RESPONSIBILITY

Mr KENNETT (Leader of the Opposition) — I refer to the Premier's comments yesterday that Australians have no hope under Labor Party administrations at Federal and State levels and ask: given that the Minister for Transport has consistently failed to answer questions in this Chamber, has misled the House and has been an active participant in the process of cover-up and conspiracy which has led to the defrauding of the public purse, what action will the Premier take to give the people of this State some hope that high standards of Ministerial responsibility and conduct will be upheld by her?

Ms KIRNER (Premier) — I am glad that at last the Leader of the Opposition has raised in this House a question I believe needs to be taken seriously — employment. Yesterday when I referred to the Australian public having little hope I was referring to the fact that currently there is not a clear Federal employment strategy. I make no apologies for taking up that issue constantly both privately and publicly. I am not doing it in the sense of a straight view of the world based on pump priming, which seems to be something some people are putting about. The State government has put forward a clear ten-point plan for developing employment in this State and the rest of Australia.

Last Sunday I was extremely pleased to take part in discussions held in South Australia with the other Premiers who determined that a letter should be sent to the Prime Minister saying that employment must be the key issue on the agenda at the November Premiers Conference. It was refreshing to deal with the Leader of the Liberal Party in New South Wales. Unlike this Leader of the Opposition, he is able to take a clear view of priorities, he does not get into personalities and he clearly understands the economic matters of his State.

I shall be pleased at any time to join with the Leader of the Opposition, if he can get his act together, in engendering hope on the employment issue. However, what does the Leader of the Opposition do? On the very day I called for greater employment for Australia and Victoria and for a national employment strategy he called a press conference and said, as I understand, that I should look at Victoria's input into that and not pass it off to the Commonwealth.

I make it perfectly clear: I am not trying to pass anything off to anyone. There should be a partnership on this issue between the Commonwealth and State governments, industry and unions. I cannot understand why such a partnership does not exist and why there is no clear leadership from Canberra on that partnership. Yesterday the Prime Minister did the right thing by agreeing to put the issue on the agenda. I make no apologies whatsoever for saying that if we want to engender hope in Australia there must be an employment strategy to go with an inflation strategy.

PUBLIC TRANSPORT CORPORATION CONTRACTS

Mr STEGGALL (Swan Hill) — I refer the Minister for Transport to the public undertaking

given by the head of his Ministry on 25 September this year that he would examine each of the 39 employment contracts in the Public Transport Corporation and ask: when does the Minister expect to present the information; will he include how many contracts exist; how many unsigned contracts exist; how many include the Parkinson-Gordon clause 5.5; and how many exist among officers who are former officials of the Victorian Trades Hall Council?

Mr SPYKER (Minister for Transport) — Would you like to know the colour of my socks as well? When we appeared before the estimates subcommittee we indicated that we would come back to the committee on some 28 points, if I recall correctly.

I understand the transcript was received some weeks ago and, of course, some of the questions require quite detailed answers. The director-general is working through those issues and, as soon as they are completed, they will be provided to the estimates subcommittee.

Mr McNAMARA (Leader of the National Party) — On a point of order, Mr Speaker, in response to a question of mine regarding the State Superannuation Fund, the Treasurer referred to the fact that only 18 per cent of the fund's assets were held in property.

I ask you, Mr Speaker, whether the Treasurer would be prepared to make available the most recent figures — —

Honourable members interjecting.

The SPEAKER — Order! The Leader of the National Party is quite in order in raising the point of order he now appears to be raising.

Mr McNAMARA — If the Treasurer has figures more recent than those contained in the latest annual report, which is for 1989-90, which showed that there was — —

The SPEAKER — Order! The honourable member should not debate the issue. He should simply ask for the information he is seeking.

Mr McNAMARA — The latest available report shows 26 per cent held in property assets. The Treasurer referred to 18 per cent. If he has figures showing a lower figure than the latest annual report shows, I ask that he make them available to the House.

Mr ROPER (Treasurer) — I suppose we could have a supplementary question time like this, given that the Leader of the National Party is certainly not game to raise issues relating to superannuation in question time, which would have been welcome.

As honourable members know, and as anyone would know if they examined the legislation and the arrangements that exist, the board reports — —

Mr McNAMARA (Leader of the National Party) — Mr Speaker, the Treasurer — —

The SPEAKER — Order! The Treasurer is responding to the request for information.

Mr ROPER (Treasurer) — As the President of the State Superannuation Board has said, the board will be making its report to Parliament once it has finalised its arrangements. That report will set out the asset situation for the year. The president of the board has made it clear that the asset situation of the board is strong, and as I have pointed out to the House regular valuations are carried out by the board. Its investment base changes constantly, as anyone would imagine — —

The SPEAKER — Order! I think the Treasurer has indicated to the House sufficiently that the figures will be made available in the forthcoming report.

PERSONAL EXPLANATION

Mr COLE (Melbourne) — I wish to make a personal explanation to the House about my absence from the Chamber for the division that occurred last Thursday, 24 October 1991, on the Land (Prince Henry's) Bill.

At the time of the division I was in the office of Mr Wally Ivlenkov, which is located in the offices at the rear of this building. When the division bells rang only the red light signifying the Legislative Council was displayed and at no time was the green light of the Legislative Assembly displayed. For this reason I remained in the room and did not attend the Chamber.

That was the only reason that I was absent from the Chamber at the time of the division. It was not, as was suggested by the honourable member for Syndal, because I was embarrassed to vote with the

government, nor was it, as the honourable member for Warrandyte suggested, because I am colour blind. I make it clear to the House that I have no problem with the Bill, as was indicated on the third reading. Although I confess to some limited visual impairment and occasionally being blinkered, I am not colour blind.

BELLS AND PAGERS

The SPEAKER — Order! I wish to inform honourable members that during proceedings of the Legislative Assembly last Thursday afternoon the bells were rung in order to summon members to the Assembly Chamber for an absolute majority.

When the bells were rung the honourable member for Melbourne was not aware that it was the Assembly bells that were ringing because the indicator light for the Legislative Council came on in the office where the honourable member was situated. It was discovered later that there was a faulty electronic card in that particular bell causing the incorrect light to register when the Assembly bells were rung. That has now been rectified.

Further, the member's pager was not operational. I remind honourable members that it is the responsibility of individual members to check that their pagers are operational when they collect them each day. If a member discovers that his or her pager is faulty, he or she should advise the Serjeant-at-Arms.

PETITIONS

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

Montague Continuing Education 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 Victorian Ministry of Education and Training has stopped student enrolments at Montague Continuing Education Centre, and in doing so —

1. Has failed to recognise the value of this unique and outstanding educational setting.
2. Is denying other families with a disabled student the choice and access to this centre.
3. Has savagely attacked Montague Continuing Education Centre with no regard to its leadership role in transitional and vocational training for disabled students in Victoria.

Your petitioners therefore pray that the Minister for Education and Training will immediately direct that enrolment procedures for Montague Continuing Education Centre be resumed, thereby clarifying the future of this most valuable educational setting for the disabled.

By Mr Walsh (3988 signatures)

Sexual abuse of children

To the Honourable the Speaker and members of the Legislative Assembly in Parliament assembled:

The petition of certain residents of the State of Victoria draws to the attention of the Assembly the following procedures we deem necessary to deal with all cases of sexual abuse and other crimes against children.

1. Children, regardless of age, to be heard on sworn evidence.
2. Videotaped evidence and closed-circuit television testimony of children, attended by a trained child advocate, to be accepted in court.
3. Body sample testing (DNA) of offender where reasonable grounds for suspicion.
4. Treatment of convicted offenders to be carried out under strict supervision in confinement.
5. Mandatory reporting of child abuse by relevant professionals and child-care workers to a central registry in each State.
6. All groups involving children must permanently remove any convicted molester and suspend any under investigation.
7. Convicted child molesters to be registered with police in the area of residence.

Your petitioners therefore respectfully urge that the Assembly will promptly address these procedures and bring in the necessary and appropriate legislation needed.

By Mr E. R. Smith (143 signatures)

Board of Works — rate increase

To the Honourable the Speaker and members of the Legislative Assembly in Parliament assembled:

We the undersigned ratepayers of the Melbourne and Metropolitan Board of Works call on the Kirner Labor government to hold a review into the efficiency and

effectiveness of the Board of Works as a means of substantiating the significant annual increases in their rates.

Further, we call for a moratorium on rate increases until that review has delivered its recommendations and the government has publicly announced its decision on those recommendations.

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

By Mr E. R. Smith (213 signatures)

Laid on table.

WORKCARE

The SPEAKER presented report of the Accident Compensation Tribunal for 1990-91.

Laid on table.

PAPERS

Laid on table by Clerk:

Equal Opportunity Commissioner — Report for the year 1990-91 — Ordered to be printed

Planning and Environment Act 1987 — Notices of approval of amendments to the following Planning Schemes:

Chiltern Planning Scheme — No. L9

Collingwood Planning Scheme — No. L11

Geelong Regional Planning Scheme — No. R67

Korumburra Planning Scheme — No. L31

Lillydale Planning Scheme — No. L91

Mildura Shire Planning Scheme — No. L8

Moorabbin Planning Scheme — No. L14

Shepparton Shire Planning Scheme — Nos L8, L9, L15, L31

Waranga Planning Scheme — No. L5

Warrnambool Shire Planning Scheme — No. L5

Werribee Planning Scheme — Nos L21, L22, L25

Whittlesea Planning Scheme — No. L27

Port of Geelong Authority — Report for the year 1990-91

Statutory Rules under the following Acts:

Forests Act 1958 — SR No. 210

Nurses Act 1958 — SR Nos 214, 215

Post-Secondary Education Act 1978 — SR Nos 205, 206

Public Service Act 1974 — Declaration No. 5; Public Service Determination Nos 34, 35

Reference Areas Act 1978 — SR No. 209

Tobacco Act 1987 — SR No. 212

Victoria State Emergency Service Act 1987 — SR No. 213

Water Act 1989 — SR No. 211

* * * * *

Proclamation fixing operative date in respect of the following Act pursuant to Order of the House dated 25 October 1988:

Local Government (Consequential Provisions) Act 1989 — Items 17 and 20 of Schedule 3; 23 October 1991 (*Gazette* No. G41, 23 October 1991)

GRIEVANCE DAY

Mr ROPER (Treasurer) — By leave, I move:

That the operation of Standing Order No. 59 requiring the question that grievances be noted to be proposed on every third Thursday after the opening of the session be suspended so far as to allow the Standing Order to have application on Thursday, 31 October 1991.

Motion agreed to.

CRIMES (FRAUD) BILL

Mr KENNAN (Attorney-General) (*By leave*) — I desire to make a statement pursuant to section 85 of the Constitution Act 1975 of the reasons for altering or varying that section by the Crimes (Fraud) Bill.

1. Clause 4(3) is intended to alter or vary section 85 of the Constitution Act 1975 to the extent necessary to prevent a decision by the Director of Public Prosecutions (DPP) made under that clause being challenged, appealed against, reviewed, quashed or called into question in a proceeding in any court on any account. Under that clause the DPP may decide to give a notice of transfer in relation to a charge where the evidence relating to the charge reveals a case of fraud of such seriousness and complexity that it is appropriate that the management of the case

should, without delay, be taken over by the Supreme Court or the County Court, and the evidence is of sufficient weight to support a conviction for the offence.

2. Clause 5 provides that, on the giving of a notice of transfer, the functions of the Magistrates Court cease in relation to the case, and the Supreme or County Court (as the case requires) has jurisdiction to deal with the offence charged to the same extent as if a presentment had been made of the defendant at that court for that offence.

3. The reasons for preventing a decision of the DPP to give a notice of transfer from being challenged, appealed against, reviewed, quashed or called in question are as follows:

(a) the purpose of the Bill is to prevent delay in the prosecution of serious and complex frauds. To subject the decision of the DPP to transfer the matter to appeal or review, would open up the possibility of delay, thus thwarting the intention of the Bill;

(b) the Bill is based on existing English legislation (Criminal Justice Act 1987) and Hong Kong legislation (the Complex Commercial Crimes Ordinance). Both the Act and ordinance contain provisions similar to clause 4(3) of the Bill.

4. Clause 9(2) is intended to alter or vary section 85(5) of the Constitution Act 1975 to the extent necessary to prevent an order under clause 9(1) being challenged, appealed against, reviewed, quashed or called into question in a proceeding in any court on any account. Under clause 9(1) a court may order a hearing to be held before the empanelling of a jury if it considers that such a hearing is necessary for a number of reasons set out in that section.

5. The reasons for preventing an order under clause 9(1) from being challenged, appealed against, reviewed, quashed or called into question are as follows:

(a) the intention of the legislation is to prevent delay in the prosecution of serious and complex frauds. Accordingly, the judge conducting the preparatory hearing is to be given absolute control over that process. To subject the decision of the court to order a preparatory hearing to appeal or review would provide opportunity for delay, and thus thwart the intention of the Bill;

(b) the Hong Kong legislation (the Complex Commercial Crimes Ordinance) on which the Bill is based contains a provision similar to clause 9(2).

APPROPRIATION MESSAGE

Message read recommending appropriation for State Insurance Office (Sale) Bill.

LOCAL GOVERNMENT (RATING) BILL

Committee

Resumed from 23 October; further discussion of clause 1.

Mr DELZOPPO (Narracan) — The Leader of the House has kindly agreed to the postponement of Government Business, Orders of the Day, No. 1, to allow the opposition further time to consider the Land (Revocation and Other Matters) Bill. He was not so generous when he brought on the Local Government (Rating) Bill for debate when the opposition was not properly ready, notwithstanding the undertaking given by the Minister for Conservation and Environment to allow the opposition extra time to examine the Bill.

I am grateful to the Minister for Labour for agreeing to report progress on clause 1 when the Bill was last in Committee to give the opposition an extra week to examine the legislation.

During the second-reading debate the opposition pointed to a number of defects in the drafting of the Bill, as a result of which the government has proposed some fifteen amendments. There are also other matters in the Bill that demand an explanation, a criticism I do not make frivolously. For example, reference is made in a number of places to the Local Government Act 1958. Local government legislation is complicated and many amendments have been made to the principal Act over the past few years. Nevertheless I was under the impression that, when Parliament agreed to the passing of the Local Government (Consequential Provisions) Act in 1989, section 4(3) of the Act stated that the Local

Government Act 1958, as in force after the commencement of subsection (4) of that section, was to be referred to as the Local Government (Miscellaneous) Act 1958. In other words, the principal Act, the 1958 Act, was given a new title. In addition, section 4(4) of the Local Government (Consequential Provisions) Act provides that the new Act is to be described as the Local Government (Miscellaneous) Act.

From my reading of the legislation I believe those references to the Local Government Act 1958 Act are erroneous. When the Bill is between Houses, the government should examine the drafting of the Bill, because I believe any reference in the Bill to the Local Government Act 1958 is out of order.

Where the words "Local Government Act 1958" appear, they should be omitted and the words "Local Government (Miscellaneous) Act 1958" inserted.

Mr COOPER (Mornington) — I support the comments made by the honourable member for Narracan, because it is clear that the Bill contains a number of major drafting errors. For example, references to the Local Government (Consequential Provisions) Act and the Local Government Act 1958 should be to the Local Government (Miscellaneous) Act 1958.

The clauses of the Bill raise many questions that have not been answered. For example, what has happened to this government's commitment to Part 2 of the Local Government Act 1958? For a long time the government has had on its agenda the requirement to review, change or update Part 2 of the Local Government Act 1958, which relates to local government amalgamations.

This is a matter of great interest to local government and has been ever since 1985 when the honourable member for Reservoir was appointed Minister for Local Government and declared his intention to change the face of local government in Victoria. His proposal was a notable failure but it raised the issue of how amalgamations should occur and what input into the process local communities should have.

The government established a committee to address those issues and on a number of occasions both in this place and in the other House members of the opposition were given assurances by the present Minister and her predecessor that these issues would be addressed and that a Bill dealing with Part 2 of the Local Government Act 1958 would be introduced in this House. There is no doubt that municipal councils throughout Victoria expected that the Bill which was to come into the House in this sessional period would address that issue. They have been badly let down.

The government has also ducked the question of pensioner rate remissions. Although it has attempted to address the impact of valuations of properties on rate remissions, it has not addressed the main issue of the remissions themselves. Even though the government established the Municipal Rates Assistance Working Party, which reported to the State-Local Government Consultative Council in April 1990, it has still not presented a solution to the problem. The ceiling of $135 on the pensioner rate rebate has been static since this government came to power.

On page 2 the report of the Municipal Rates Assistance Working Party of April 1990 states:

> There has been considerable community concern expressed that the level of the ceiling on the rebate has not been increased since 1982. As a result of maintaining the ceiling, and increases in council rates, 89.5 per cent of recipients now receive a rebate of less than 50 per cent of their rates bill.

When the pensioner rate rebate was brought in it was with a view to giving pensioners a 50 per cent rebate. The government has worked out — how it worked this out is amazing because it has never worked anything else out — that it could not afford to increase the $135 subsidy. As a result it tried to shove the dead cat over the fence onto the plate of local government, with a lot of options. None was very attractive to local government. The government completely shifted the responsibility of assisting pensioners from State and Federal governments to local government and the ratepayers of municipalities around Victoria. No local council would have accepted that.

What has happened to this review? The government has acknowledged that a review is needed and that a major problem exists that impinges directly on one of the lower socioeconomic groups in Victoria: people on pensions. As a result of that acknowledgment it has instituted a working party that has produced a report that is unacceptable to local government. What has the government done? It has stuck the report in a pigeonhole; it has stuck it in the too-hard basket and walked away from the problem.

As soon as the government is presented with a tough question and has to bite the bullet it walks away. When it comes to a tough issue, the government does not want to deal with it, so it pushes it onto other organisations and levels of government.

I have received complaints about the level of council rates and their rapid escalation from people on fixed incomes who believed the government would help them, but those people have been let down. In fact they have been ignored. When they read the publicity they had every right to believe the working party would review and update the pensioner rate rebate. Two years ago the government announced that the working party would examine the pensioner rate rebate, but all we have now is a report. There has been no answer from the government on this issue.

Pensioners in my electorate have asked me, "When is the government going to do something about the pensioner rate rebate?" On Friday I was talking to a lady who is a past President of the Mornington Senior Citizens Club. She said she believed the government had forgotten about people like her. She said the government had walked away from pensioners. The government promised so much but it has not delivered anything. The lady was right in saying that people feel let down, and they have every right to do so. There was an expectation throughout the community and local government that these matters would be addressed, but that has not been the case.

The Bill abolishes polls that deal with rating changes. I wonder where the government got its advice. Who is the government listening to? We can all be swayed by a barrage of letters from municipalities but it is our duty to look beyond to the municipalities who purport to represent their ratepayers — most of them represent their communities very well — but the fact of the matter is that the method of rating is one of the most important decisions any council can make. The method councils use to levy charges on ratepayers is an issue of enormous interest to people. People are vitally concerned about council rates.

I equate a change in the valuation method adopted by a council and the method of levying rates with the Federal government making a change to the Constitution.

The CHAIRMAN (Mr Norris) — Order! I do not wish to interrupt the honourable member in the full flow of debate, but the debate on the purpose clause is limited to whether the words contained in the clause accurately describe the Bill. I remind the honourable member that it does not allow for a full-flowing second-reading debate.

Mr COOPER — I did not intend to do so, Mr Chairman. I am simply addressing the issue of whether the Bill represents the best interests of people who pay council rates. I was making the point, on which I shall not dwell, that changing a rating system is akin to the Federal government changing the Constitution — and it can do so only by referendum. A council's rating policy should receive community input because it is one of the most important decisions in which a council involves itself.

I understand why the government has buckled — it is because of the heavy lobbying of local government on this question — but it has ignored the wider view held by the community that the community should have input into such a decision. This provision does not allow for input from the community. I shall have much more to say when we reach the specific clause.

I want to say something that most of us probably do not like to say too often in life. In respect of changing the levying of rates from the owner to the occupier, I say to this government: I told you so! Back in May of last year when a Bill relating to this issue was before Parliament overwhelming evidence was presented to this House and the other place that major problems would be experienced if the proposed change were not made.

The government was told what the outcome would be, but I ask honourable members to consider whether members of the government believed members of the opposition. The answer is: no, they did not believe us; they did not believe councils; they did not believe representatives of organisations that have expertise in this area; they did not believe spokesmen for the Retirement Village Association; they did not believe anybody!

The government thought it had it right. The arrogance of this government is something that must be seen to be believed. I ask honourable members to consider what the government did. The answer is: it put everything on hold and waited to see whether it could prove its point.

In May I was quoted in the *Sun* as saying that owners of property rather than tenants would be sent rate notices — —

The CHAIRMAN — Order! I must bring the honourable member for Mornington back to order. He is straying well outside clause 1, which lists the purposes of the Bill. If he continues in this vein I will have to ask him to resume his seat.

Mr DELZOPPO (Narracan) — Mr Chairman, I raise a point of order of some delicacy. The honourable member for Mornington is labouring under extreme difficulty at the moment. He is a member of the Privileges Committee and his services could be required this afternoon, so I put it to you that you might give him greater latitude than you would normally give a speaker. He could be denied the opportunity to speak if his services are required.

Mr POPE (Minister for Labour) — On the point of order, Mr Chairman, being well aware of the situation in which the honourable member for Mornington is placed, I did not raise a point of order earlier. However I hope he will not go on for too much longer; otherwise my restraint might not last.

Mr COLEMAN (Syndal) — Mr Chairman, on the point of order, clause 1(c) clearly states that a purpose of the Bill is:

> to enable councils to choose a system of valuing land for rating purposes without the need to conduct a poll;

The honourable member for Mornington has been discussing the history behind the need to amend the existing legislation. His contribution is entirely relevant and he should be allowed to canvass those issues given that they have led to the introduction of the Bill before us today.

Mr COOPER (Mornington) — Mr Chairman, on the point of order, I direct your attention to clause 1(a), which provides that a purpose of the Bill is:

> to require rating valuations to be based on occupancy rather than on ownership;

I am addressing my remarks to that provision. I have said I will not make a lengthy contribution; in fact I will not be able to do so. I am putting on record remarks that I was denied the opportunity of making during the second-reading debate. I do not intend to turn my remarks into what could be described as a contribution to a second-reading debate.

The CHAIRMAN — Order! The original point of order was probably unique in this Chamber: that I should exercise my discretion in allowing the honourable member for Mornington to range far and wide, as he has been, because his attendance may be required shortly at a hearing of the Privileges Committee. I congratulate the honourable member for Narracan on his originality, but I must abide by Standing Orders.

The honourable member for Mornington is presenting a speech that would be appropriate to a second-reading debate. He is going far beyond the bounds of clause 1, which describes the purposes of the Bill. I am prepared to be tolerant for a little longer but I assure him I am listening carefully and I warn him that if he strays too far from the clause I may require him to resume his seat.

Mr DELZOPPO (Narracan) — On the point of order, Mr Chairman, with respect, I raised the point of order because I realised we had a unique chairman in the chair, a man of tolerance, of great understanding and commonsense, who has conducted himself with great dignity in the position of Chairman of Committees.

If it were not so, I would not have dared to take the point of order. I would not have dared to raise such a point of order with other chairmen. I raised it because I know of your tolerance and understanding, and I felt moved to take such liberty.

The CHAIRMAN — Order! I thank the honourable member for Narracan for his kind remarks. The honourable member knows my weaker point, which is the soft underbelly of the chairman, the area at which he was aiming.

Mr COOPER (Mornington) — I shall find the rest of my path much easier to travel because I will be travelling on the grease that has just been laid down. I thank the honourable member for Narracan for attempting to defend me, and I thank you, Mr Chairman, for your indulgence.

I was making the point about the pensioner rebate and the fact that pensioners will be dealt with harshly by the proposals of the government. It is pleasant for the opposition to see the government coming to its senses and agreeing with the points that were made last year.

What is sad is that the government in its arrogance was not prepared to accept that there were people around who knew about the problems being created by the ill-thought out clauses of the Bill. The

government was riding roughshod over the matters the opposition directed to its attention at that time.

I will be reserving my remarks and I hope to be in the Chamber during the rest of the Committee stage of the Bill. I thank you, Mr Chairman, as well as the Minister, for your indulgence.

Clause agreed to.

Clause 2

Mr POPE (Minister for Labour) — I move:

1. Clause 2, line 7, omit "12,".

Amendment agreed to.

Mr POPE (Minister for Labour) — I move:

2. Clause 2, lines 9 to 12, omit all words and expressions on these lines.

Mr DELZOPPO (Narracan) — Will the Minister explain the intent and effect of amendment No. 2?

Mr POPE (Minister for Labour) — The amendment repeals subclauses (2) and (3). These subclauses provide for the amendments contained in clauses 20 and 21 respectively to operate retrospectively.

Clause 20 allows water authorities to impose a tariff levied on an occupancy basis. This was given a retrospective operation to save any earlier tariffs which may have used valuations based on occupancy rather than ownership. Instead of addressing this problem by giving clause 20 a retrospective operation, a new provision is to be inserted into clause 20 to validate any earlier tariffs. Validation rather than retrospective operation is seen to be a more appropriate legal mechanism for addressing the problem.

Clause 21 allows water authorities to fix a penalty interest rate so long as it is no more than the rate fixed by the Governor in Council. Particularly in view of the savings provision spelt out in clause 29(2), it is no longer considered necessary to give clause 20 a retrospective operation.

Amendment agreed to.

Mr POPE (Minister for Labour) — I move:

3. Clause 2, line 14, omit "26(1)(a)" and insert "27(1)".

The amendment is simply a correction.

Amendment agreed to.

Mr POPE (Minister for Labour) — I move:

4. Clause 2, line 16, omit "26" and insert "27".

The reference to clause 26 is wrong and the amendment corrects that.

Amendment agreed to.

Dr NAPTHINE (Portland) — Will the Minister for Labour explain why, even with the appropriate amendments now made, a number of clauses will come into operation retrospectively and why clause 2(4) stipulates that proposed section 24 shall come into operation from 1 October next? Why is it necessary for retrospectivity for some clauses and for prospectivity for section 24?

The CHAIRMAN — Order! The question is:

That clause 2 as amended stand part of the Bill.

Mr DELZOPPO (Narracan) — With the greatest respect, Mr Chairman, I do not think the Minister's shaking or nodding his head is sufficient reply to the honourable member for Portland. I am quite amenable if the Minister would like to report progress, even for 30 minutes or so, to allow him to receive instructions. I concede that local government legislation at the best of times is very complex. In no way do I criticise the Minister for being unable to answer the question.

If it will get the Minister out of an awkward situation, I have no objection to the reporting of progress; the Committee may reconvene at his convenience.

Dr NAPTHINE (Portland) — It is very important, when we introduce provisions that will operate retrospectively, that the Committee fully understands and that the community and Victorians understand why retrospectivity is necessary. It is an important principle and one that we normally do not apply through legislation. It is important that the reason be fully explained to the Committee.

In particular, the Committee has just made an amendment to clause 2(5). There appeared to be a typing error because the Bill says "section 26(l)(a)" and that has been amended to "section 27(1)", not to "section 27(1)(a)". That begs the question of whether there is a further mistake and whether paragraphs (b) and (c) were really meant to be retrospective.

The Minister has a responsibility to explain the retrospectivity applying to provisions in the Bill and why it is necessary.

Mr Steggall interjected.

Dr NAPTHINE — As the honourable member for Swan Hill says, we are trying to help the Committee and the community to understand what is happening here. As the honourable member for Narracan has said, local government legislation is extremely difficult. There are a number of pieces of legislation — including the Local Government Act 1958, the Local Government Act 1989 and the Local Government (Amendment) Act of, I think, 1990 — that deal with local government and must be fully understood. The implications of retrospective provisions must be explained.

As the Committee will understand, local government, the community and even the courts in an interpretation of legislation often rely on the comments made by a Minister and reported in *Hansard*. That is particularly relevant to retrospective provisions.

The implications need to be outlined to the Committee. The Minister should say exactly why changes are being made so that the provisions will operate retrospectively and why proposed section 24 will not come into operation until 1 October 1992. If he cannot explain, I suggest he adopt the sound proposal put by the honourable member for Narracan and report progress, seek instructions, and then return. It is inappropriate for him to nod his head and not give any explanation.

Mr POPE (Minister for Labour) — The Bill is being debated today because of a specific request from the honourable members for Narracan and Swan Hill. The request was that the Bill not proceed last week when discussions about the amendments were taking place. Discussion about the amendments was facilitated through the Office of Local Government not only with the honourable member for Narracan but also with a number of honourable members opposite.

They were explained in detail and there were negotiations on the amendments and on the Bill. The honourable member for Portland obviously was not at the briefings and obviously did not even follow through the issue with the honourable member for Narracan or with the officers who gave the briefings.

Dr Napthine — I was at the briefing.

Mr PERRIN (Bulleen) — The honourable member for Portland and I were at the briefings and we expressed considerable reservations about the way the Bill was drafted. One has only to look at the number of amendments to know how sloppily the Bill was drafted.

During the second-reading debate I said that local government is currently operating under three separate Acts of Parliament and I predicted further amendments would be needed in the future because of the sloppy drafting. I have the drafting notes to the Minister from his department headed "Local Government (Rating) Bill 1991 clause 2 lines 9 to 12". The Minister has an explanation in these notes but the opposition is dissatisfied with it.

The drafting notes given to the Minister were to explain the amendments one by one. I share the concern of the honourable member for Portland about the retrospectivity of the provisions. The briefing notes state:

> This HA (House amendment) repeals clause 2(2) and 2(3). These clauses provide for amendments contained in clauses 20 and 21 respectively to operate retrospectively.
>
> Clause 20 allows water authorities to impose a tariff on an occupancy basis. That was given a retrospective operation to save any earlier tariffs which may have used valuations based on occupancy rather than ownership. Instead of addressing this problem by giving clause 20 a retrospective operation a new provision is to be inserted into clause 20 to validate any earlier tariffs (see HA No. 11). Validation rather than retrospective operation is seen to be a more appropriate legal mechanism for addressing the problem.
>
> Clause 21 allows water authorities to fix a penalty interest rate as long as it is no more than the rate fixed by the Governor in Council. Particularly in view of the savings provisions spelt out in clause 29(2), it is no longer considered necessary to give clause 20 a retrospective operation.

Normally briefing notes are not provided to the opposition but rather to the Minister so that the Minister can answer the opposition's questions. However we received these briefing notes because we were not given adequate explanation from the officers who briefed us.

It is appropriate for the honourable member for Portland or any other honourable member to ask the Minister for a better explanation of the retrospective

provisions. The honourable member for Portland, other honourable members and I have grave concerns about retrospective legislation. It is a fundamental requirement with the introduction of retrospective provisions that adequate explanation about the need for the retrospectivity be given to the House by the Minister handling the Bill.

I assume the Minister has the briefing notes from which I have just read, and if so he should read them. He should also be prepared to get a further explanation from his officers that will satisfy the opposition. We are on the third measure relating to local government and I believe the honourable member for Portland is entitled to have a more adequate explanation than has been provided.

Mr COOPER (Mornington) — The point has been made about the importance of explaining retrospective provisions. I suppose no Act of Parliament is more of a time bomb than the Local Government Act because, as the honourable member for Narracan said, it is extremely complicated.

Local government now has to cope with five Acts of Parliament. It must deal with the Local Government Act 1958, the Local Government Act 1989, the Local Government (Consequential Provisions) Act 1989 — which should be referred to as the Local Government (Miscellaneous Provisions) Act 1958, as should the Local Government Act 1958 — the Local Government (Amendment) Act 1990 and now the Local Government (Rating) Bill, which will presumably become an Act.

Mr Delzoppo interjected.

Mr COOPER — Yes, some provisions have been proclaimed and some have not. Municipal clerks must go backwards and forwards to those various Acts and, added to that, there are retrospective provisions relating to sections in previous Acts to which I have just referred. It is a very complicated minefield.

The very least the Committee can do is understand what it is dealing with. The person responsible for providing that information to the Committee is the Minister at the table, the Minister for Labour.

On many occasions Bills have been passed by Parliament and in a year or two the Acts have become nightmares for the government. That is due largely to its arrogance, which I referred to earlier, an arrogance that says, "We know best; we do not have to explain". When Ministers do explain provisions, the explanations are often inadequate.

The honourable member for Portland has asked for an explanation of the retrospective provisions. He has been denied that explanation, and the briefing to opposition members also failed to reveal that information. If he does not know the answer, I ask the Minister to report progress and come back to the Committee at a later date with the remainder of the Bill. It is no good the Minister getting on his high horse and abusing opposition members who have asked reasonable questions and deserve reasonable answers.

Mr POPE (Minister for Labour) — Members of the opposition know why the various dates are inserted in the clause. If the opposition wants me to go through each subclause I shall do so, but it is obvious that it is attempting to delay the process.

I said during the second-reading debate that I was prepared to work with the opposition, but obviously it does not want to work with the government. Clause 2(1) contains the date 1 November 1989. That is the operative date for the Local Government Act 1989. Clause 2(4) states:

> Section 24 comes into operation on 1 October 1992.

That is a consequential amendment relating to the Caravan Parks and Movable Dwellings Act, which comes into operation on that date, which is also to be the date of the new rating provision.

Clause 2(5) refers to the date when Royal assent was given for the operation of the Local Government (Consequential Provisions) Act. Clause 2(6) refers to the date Royal assent was given for the operation of the Local Government Act 1989. I am sure honourable members knew that. The honourable member for Mornington answered his own question in his dissertation.

If honourable members wish to go through each subclause, I shall do so, but I thought the Committee was being cooperative. That is obviously not the case.

Amended clause agreed to; clauses 3 and 4 agreed to.

Clause 5

Mr DELZOPPO (Narracan) — I mentioned during the second-reading debate that the opposition will oppose this clause, which proposes

to repeal section 157(3) of the Local Government Act 1989. Section 157 is headed, "Which systems of valuing land may a Council use?" It states:

(1) A Council may use the site value, net annual value or capital improved value system of valuation.

(2) A Council must publish notice of its decision to change its system of valuation.

(3) A poll of voters in accordance with Part 6 of Schedule 3 may be held in respect of a decision referred to in this section.

(4) A Council which uses the capital improved value system may raise its general rates by the application of differential rates.

(5) A person has a right to make a submission under section 223 on a decision to use the capital improved value system.

The opposition believes this amendment goes to the heart of local government. At present local government uses three systems of valuation. Without going into a lengthy legal definition, the first system is the capital improved value, which is the value of any property on a given date given a willing buyer and a willing seller — say at an auction — and that is why the valuer arrives at that figure. It is a straightforward system of valuation. Most people who own properties would know within a few hundred dollars what their properties are worth.

The second system is called the net annual valuation, often referred to as NAV, and it is used mainly for farm properties and residential dwellings. It is defined as being a sum of money — 5 per cent of the capital value. For commercial properties it is the amount of money that the property would reasonably expect to maintain if it were let out as rack rent. I have never understood that term, but it is the rent the property attracts less insurance, maintenance, painting and so on. So the final figure is the NAV on which the council applies its rate of so many cents in the dollar.

The third system of valuation is the site value, which puts a value on the vacant land or land on which buildings stand; it is the valuation of the land itself with no improvements. I have some difficulty with that form of valuation. If a valuer were valuing the Myer emporium in Bourke Street, I do not know how he could look at the vast emporium and put the value of the building out of his mind and just value the land itself. However, it is allowed for in the Act and some people believe site valuation is a fair method of valuation. They argue that owners who improve their properties are immediately penalised under both the capital improved value and net annual value systems.

Mr Chairman, if you were to build an additional room on your home you would have to get a building permit from the local municipality. If that were issued and the room was added to your home you would get a supplementary valuation because the value of your property would have increased. If you were in a municipality that used NAV or the capital improved value system of rating and you received a supplementary valuation, you would pay an increased rate because of that improvement. If your wife was a keen gardener and set out the surroundings of your house with lawns, fish ponds and rockeries, which improved the value of your property, all the improvements made could be seen to penalise you and your wife because the valuation of your property would increase and your rates would increase since the rate would apply to a larger sum.

For a long time municipal councils have had the ability to use either site value or net annual value, or — as allowed for in the Local Government Act 1989 — capital improved value; and the councils may, by resolution, change from their present systems of valuation to another system. For instance, if a council is now using a valuation based on net annual value and it wants to change to site value, it can do so by resolution of the council.

However, under the terms of the 1989 Act a council has to advertise its intention of changing its system of valuation in a newspaper circulating within its own municipality; and, within 30 days of the council's giving that notice, if 10 per cent of the ratepayers sign a document or a petition to the council they can demand a poll on the decision of the council to change its rating system. Therefore the provision is a safeguard to make sure that a council's decision to change its valuation system reflects very accurately the wishes of its community.

There are numerous occasions on which councils have attempted to change their valuations. In some cases they have been opposed by poll; in some cases the poll has not succeeded; and in other cases the decision to change the valuation system has not been opposed.

Almost ever since local government began there has been a bitter argument between supporters of the various forms of valuation. I am sure the Minister for Labour, with his experience in local government,

knows exactly what I mean. There are many people who are fierce supporters of site value and others who are equally supportive of net annual value. But the point I am making is that a variation in the type of valuation means a shift in the rate burden. The old adage is that somebody's rate decrease is somebody else's rate increase. Therefore we are really talking about matters related to money and the hip pocket.

Clause 5 seeks to remove subsection (3) from section 157 of the Act. That subsection states:

> A poll of voters in accordance with Part 6 of Schedule 3 may be held in respect of a decision referred to in this section.

The government is trying to remove the poll provisions from the Local Government Act 1989 so that if a council wished to change its method of valuation it could do so by resolution and the only input the community would have would be by making a submission under section 223 of that Act.

Section 223 deals with the right to make a submission and states:

> (1) The following provisions apply if a person is given a right to make a submission under this section (whether under this or any other Act) to the Council:
>
> (a) The Council must publish a public notice stating that submissions in respect of the matter specified in the public notice will be considered in accordance with this section;

Therefore if the council wants to change its rating system it must publish a notice to say that its intention is to change from, say, site value to capital improved value, or from net annual value to capital improved value, or any other combination. Section 223 goes on to state:

> (b) The Council or where the Council so determines a committee of the Council must consider any written submission which is received by the Council within 14 days ...
>
> (c) Any person who has made a written submission to the Council and requested that he or she be heard in support of the written submission is entitled to appear ...

The section provides for the publishing of the notice, the right to make a submission and the ability of the council to appoint a committee to hear such a submission. It then says:

> (d) The Council must — —
>
> (i) fix the day, time and place of the meeting referred to in paragraph (c);

That paragraph states:

> (c) Any person who has made a written submission to the Council and requested that he or she be heard in support of the written submission is entitled to appear in person or by a person acting on his or her behalf ...

But the difference, and the point I am trying to make in this rather complicated way, is that a further subsection states:

> (e) The Council must take into consideration all the submissions made under this section and after it has made a decision must notify in writing every person who has lodged a separate submission and in the case of a submission lodged on behalf of a number of persons, notify in writing 1 of those persons, of the decision and the reasons for the decision.

Therefore if the poll provisions are removed, the provisions of section 223 relating to the right to make submissions still stand.

However the point is that a council is not bound by those submissions. It could have 100 submissions against the decision; it could listen very politely to the submissions; it could have its committee in place to receive the persons who made those submissions. But all the council has to do is give a reason like, "The Council does not agree with the submission", and there is nothing else that the ratepayers can do.

The opposition believes the poll provisions protect a very ancient democratic right of the ratepayers of municipalities, and it is for that reason that it opposes clause 5.

Mr STEGGALL (Swan Hill) — I agree with the points the honourable member for Narracan has made on this issue. He has not mentioned, however, that one of the main reasons for having section 157(3) in the Act is to handle the desire of a community to change from its current rating system to the capital improved value system so that a differential rate can be applied in that municipality.

During the debate in 1988, and probably in 1987 as well, when the local government legislation was continually before Parliament, honourable members had a lot of trouble trying to work out how they would agree to the concept of differential rating. Eventually section 161 was drawn up to deal with differential rates. It states:

(1) A Council which is permitted to do so under section 157(4) may raise any general rates by the application of a differential rate, if the Council considers that the differential rate will contribute to the equitable and efficient carrying out of its functions.

There was much argument and debate about the equitable and efficient carrying out of the functions of local government on the many occasions on which the legislation was before Parliament.

The poll provisions in section 157(3) actually provide the test for that differential rating concept. Councils that do not have a rating system based on capital improved value must, under section 157(3) of the Act, test out their desire to change their rating system and move to differential rating.

I put it to the Committee that not enough time has progressed since the commencement of the principal Act for that provision to be tested properly throughout Victoria. I also direct attention to the remainder of section 161, which deals with the issues that the council must actually address in justifying its differential rate. Therefore, even if section 157(3) is left out of the Act, the Act still requires the council to provide proper justification for the change — in most cases the changes will be for differential rating purposes.

Until such time as the community has more confidence in the local government system, until the rating structure is more clearly understood and until the effects of differential rating are known, the test or poll provisions should remain in the Act.

Differential rating will shift the rate burden throughout communities. A community may decide to accept that a different type of rating is a reasonable approach. Section 161 of the Local Government Act 1989 requires councils to produce information about any change to differential rating and section 157(3) requires that a poll be held before a change can be made. The Act is still young and it is only right and proper to maintain the test to determine how many people wish to change the rating structures of local government throughout Victoria.

I am not aware of any pressure for changes to be made to the poll provisions. However councils have expressed to me their desire for differential rating powers to be introduced. I have not heard that same desire expressed by ratepayers. Few people understand the enormous range of differential rates at the disposal of a council. Section 161 was included in the Act to ensure that a council fully explains to its ratepayers the exact effect of the differential so that a reasonable judgment can be made. At this stage both that section and section 157 should remain in the Act.

Mr PERRIN (Bulleen) — The honourable member for Narracan has adequately spelt out the reasons why the coalition is so insistent on the poll provisions remaining in the legislation. This is not the first time the government has attempted to remove those provisions. When the 1989 Bill was introduced it did not include the poll provisions; an opposition amendment ensured that they were included. One can imagine what happened when members of the coalition read clause 5, which takes away the democratic rights of local government ratepayers. Alarm bells rang because they saw that the provisions they had fought so hard to include in the 1989 Act were being deleted without any consultation.

During the second-reading debate I gave an example of an instance in the City of Mordialloc where the council attempted to change the basis for charging rates. Because of the provisions of section 157(3) the council was bound to undertake a poll of the ratepayers, and in that case the poll led to the suggested change being defeated.

The General Council for Rating Reform advocates the status of site value instead of improvements and it quotes a determination at a meeting of the Mordialloc Chamber of Commerce held in June this year at the Bridge Hotel, Mordialloc. The chamber determined that the business community would be hard hit by any change to the rating method.

During the second-reading stage the Minister suggested that the coalition would like the rates to change if it were favourable to small business, but many councils want to introduce a rating system that is unfavourable to the business community.

I particularly direct the attention of the Committee to a businessman in Mordialloc who showed that his rates would increase from $2000 to $19 000 a year under the change proposed by the Mordialloc council. That is an extremely large increase for the business community. That person has two options: either he moves from Mordialloc or he tries to pass on the costs through higher prices to customers.

Mr Delzoppo — Or he goes bankrupt!

Mr PERRIN — I thank the honourable member for Narracan for his interjection; that is a third option.

If increases are to be proposed, a poll must be carried out. The coalition is not afraid of the ballot box; it would be delighted if a State election were to be called. The Labor Party would then be able to hold its caucus meetings in a telephone box. That is how well it will fare in the next election! The coalition is not afraid of the people, nor is it afraid of putting the issues to them. It is happy for them to go to a poll to decide the matter.

I shall quote the words of the shadow Minister for local government when the coalition made a decision to knock out clause 5 from the Bill.

Mr Simmonds interjected.

Mr PERRIN — The honourable member for Reservoir used to be the Minister for Local Government. He tried to bulldoze through Parliament extremely unfavourable legislation. He tried to force the amalgamation of various local government bodies against their will and he paid the ultimate penalty — he lost his job as a Minister. From his disastrous stint as the responsible Minister the honourable member for Reservoir would know very little about local government.

I shall quote a coalition press release dated 23 September and headed "Coalition preserves ratepayers priorities". I shall put the press release on the record because it puts the position well:

> The coalition has decided to preserve the right of ratepayers to demand a poll when a local council moves to change its valuation base.
>
> The Local Government (Rating) Bill currently before the State Parliament would delete the poll provisions from the Local Government Act 1989.
>
> Roger Hallam, shadow Minister for local government, said the coalition had taken the view that the poll provision was a democratic right that must be upheld.
>
> The coalition intends to use its majority in the Legislative Council to ensure the poll provision is not removed.
>
> "The rating base is fundamental to the operation of local government and the ratepayers deserve a direct voice in any change," Mr Hallam said.
>
> "Councils will still have access to differential rates under the capital improved value system, but first they must gain the consent of the ratepayers.
>
> The principles of the Local Government Act were worked out over years of consultation, and we should see how it works in practice before altering such an important feature" Mr Hallam said.

That is the opposition's point of view. The honourable member for Narracan intends to test this position when we vote on the clause, and I, for one, suggest that if the government had any sense it would pull back from its position.

The measure was tried in 1989 but was not successful. The opposition forced the retention of the existing system through its numbers in the Upper House, and if the government had half a brain in its head it would realise that this provision will not work and it would remove it from the Bill. If it persists with its arrogant attitude of taking away the democratic rights of ratepayers, it deserves to be defeated on the floor of the House, and it will be defeated on the floor in the other place.

Mr COOPER (Mornington) — I welcome the fact that the honourable member for Reservoir, a former Minister for Local Government, is in the Chamber for this debate, and I trust that he will feel obliged to speak during the Committee debate.

I recall that he argued the government's case fairly strongly when the first edition of what was proposed to be the new Local Government Act was presented, prior to his ceasing to be Minister for Local Government. Perhaps he might like to run those arguments past us again.

I direct the attention of the Committee to the Minister's second-reading speech to the House as recorded at page 755 of *Hansard* of 19 September 1991:

> Local government has strongly urged the removal of the poll provisions as an unnecessary and inhibiting factor in the selection of the most appropriate rating system.

Like the Minister for Labour and the honourable member for Narracan, both of whom are seated at the table, I have had lengthy experience in local government, although from the opposite side of the table, so to speak, from the Minister for Labour, although I believe he was a councillor as well.

This experience in local government may have given me a jaundiced or cynical view, but when I read that the right of people to have a say by way of a poll is being described as an unnecessary and inhibiting factor, I begin to get a little bit nervous. Where will we finish if we start removing the rights of people to have a point of view and to express that point of view through what is really a local government referendum on something as important as the system by which their rates will be levied?

As I said in my earlier remarks on clause 1, perhaps the most important decision any council makes is the decision on how much it will charge its ratepayers each year; and the only defence that ratepayers have with regard to the changing of that system is section 157(3) of the Local Government Act 1989, which states:

> A poll of voters in accordance with Part 6 of Schedule 3 may be held in respect of a decision referred to in this section.

That is the defence of the people, and they do not get it lightly. They get it if 10 per cent of the ratepayers in a municipality petition for a poll, so it is not an insignificant number of people who can demand a poll or require a poll to be held.

Further on in the Minister's second-reading speech he referred to the removal of application of the poll provisions:

> This does not mean a loss of ratepayer involvement as councils still have an obligation to consult with their communities as one of their key objectives under the 1989 Act.

That sounds nice but let us talk about the realities of what the Minister calls "an obligation to consult". The honourable member for Narracan has explained that under section 223 of the Local Government Act a council that wishes to change its rating system is obliged to advertise and, in so doing, is obliged to consider submissions that are made by individual ratepayers.

However, it is not obliged to accept those submissions. One would very much expect that councillors would read the submissions and, if the individual ratepayer requested it, would listen to that ratepayer speak to the submission, but they are not obliged to do anything else.

Let us take the hypothetical situation of 25 or 30 per cent of the ratepayers in a community deciding that they do not like the decision of the council to change the rating system, and putting in individual submissions. Let us say also that they all demanded the right to speak to those submissions and turned up at an appropriate council meeting set for the purpose and spoke to their submissions and told the council that they were totally opposed to the council changing the rating system. I agree that this may be considered hypothetical and way-out, but let us say it happened.

Will the council be obliged to heed that vast expression of public opinion within its municipality? No, it will not. Under the proposals of the government it is not obliged to heed them; it is obliged only to listen to them and then make its decision, and it has already made its decision — that it wants to change over to another system of rating.

I suggest this is a direct attack on the rights of people to express an opinion on the most important subject that their council deals with in every given year, and for the government to have its second run at trying to remove the poll provisions is reprehensible. I should be very interested to hear some kind of supporting statement for what is described as an unnecessary and inhibiting factor on councils, that is ratepayers being able to express their opinions through a poll.

I regard this as the most important clause in the Bill and certainly one the opposition is determined to see defeated. We support the right of ratepayers to express their opinions at polls. We are not frightened of that, and if councils have the facts at hand and can offer their ratepayers a proper argument to support the change in the rating system, they should not be frightened of it, either. Only councils that are frightened or do not have the facts would strongly support the clause proposed by the government. The clause is an attack on the integrity of the democratic system, and the Chamber should not support it.

Mr LEIGH (Malvern) — In my time in politics I have twice observed local communities becoming outraged about what is happening with rating issues, and deciding to do something about it.

I have been a member of Parliament for nearly nine years and I am rather curious as to why, over the years, the government has had a continuing desire to bring back this issue time after time. One has to wonder why it wants to take away the rights of a ratepayer to have a say in the rating system adopted by his or her local council.

I recall that not too many years ago the Malvern City Council tried to change the basis of the rating system from site value to net annual value, and I must say that I am one of those who takes the view that NAV tends to discourage one from doing anything to improve one's property. In that case 10 per cent of the community decided to fight the proposal.

In fact, those opposing the change won by 14 000 to 4000. Many people got together at their own expense to mount a campaign to fight the council's decision to effect a rating change. The most worrying aspect of the poll was that the council used ratepayers' money to fight them. Private citizens were placed in the extraordinary position of having to use their own funds to fight a council that was also using their funds. The council paid people to hand out cards on polling day in an attempt to have its decision validated.

I take the view that when a council takes a decision to change from site value to net annual value, or vice versa, it should at least ask its own supporters to hand out its cards. A council should not use ratepayers' money to pay people to hand out cards in favour of decisions that may be against the wishes of the community. I found that to be absolutely disgusting, and at the time I challenged the council's right to do that.

Mr Maclellan — Where did this happen?

Mr LEIGH — In the City of Malvern. The second instance occurred earlier this year in the City of Mordialloc. Again the council bureaucracy decided to move from site value to NAV. I will not get into the arguments surrounding site value and NAV, but I do not understand why the government opposes the right of people to have some say on council decisions. If we do not include the Russians and other Eastern European countries — and I do not at the moment — Australia is one of only 23 real democracies in the world. If we are a democracy, what is going on here?

The headline in the *Mordialloc Chelsea News* of 6 August 1991 was "Rating change rejected". I suggest that is democracy at work. The citizens decided they did not like the idea and were going to do something about it. The poll, which cost the council $40 000, was undertaken at the same time as council elections were held, although there were no contests in the City of Mordialloc. Only 57.4 per cent of ratepayers cast votes at the poll, but for weeks the front pages of local newspapers covered the issue. Week after week the local community was involved in debate. Any resident could have turned up on that day in support of the council's decision to change from site value to NAV. The final votes were 8676 for site value, 4136 for NAV and 468 informal.

Mr Perrin — That is two to one!

Mr LEIGH — It was two to one. The people used their democratic right to vote against the change. What is so unusual about giving people the right to have a say? I get on very well with many town clerks but I do not believe they have all the knowledge about progress and change.

I am delighted to see the beleaguered Minister for Transport in the Chamber. Is he prepared to stand up and acknowledge that the government has got it wrong? I presume he sat at the Cabinet table when the decision was made to take away the right of people to vote on rating polls. What does he feel about it? How did he vote in Cabinet? Did he support the people of Mordialloc?

Mr Perrin — No.

Mr LEIGH — I bet he didn't. I am sure he voted with Cabinet. I am reminded of a joke: what do you call the Kirner Cabinet? A dope ring.

The CHAIRMAN — Order! I believe the comment of the honourable member for Malvern is unparliamentary, and I ask him to withdraw it.

Mr LEIGH — I am delighted to withdraw it. The fact is that the government's decision to include clause 5 in the Bill impinges on the right of citizens to have a say. The government, year in and year out, likes to include in every piece of legislation and in every government publication the concepts of social justice and of the people's rights being important. However in this measure the government is denying people the right to vote on an important issue. I remind the Committee of what people say about the Russian constitution: it is the best constitution in the world but the government does not enforce it.

The proposed legislation is an example of the Victorian Labor government being the bully: the government believes it knows best and that the rights of citizens should be taken away. The Committee has the right to ask the government why it has continually brought forward this proposal since it has been in office. Why is it so afraid of allowing people the right to vote? I do not understand, nor I suggest does anyone else. I hope the Minister for Labour will advise the Committee

whether he supports the rights of individuals. If he does not, he should go on the record and say what is going on.

If the wording of clause 5 had been agreed to by the State opposition in the past, the headline in the *Mordialloc Chelsea News* would not have been necessary. If the Mordialloc council had changed its mind about the rating system it would have introduced NAV and the local community would have been unable to do anything about it.

I hope the Minister will not treat the opposition with his usual contempt. I hope commonsense will prevail and the Minister will provide a fair and equitable response. If the Minister withdraws clause 5 the government will be seen by the community to be responsive. If the provision is passed by the Assembly, I assure the government that it will not be passed by the Legislative Council. The opposition wishes to protect the rights of individuals so that the right to vote on rating systems will remain in the Local Government Act. The government can scream as much as it likes but the people of Victoria, such as the ratepayers of Mordialloc, should continue to have the right to challenge council decisions if they are unhappy with them.

In a democracy people have the right to spend their own money and time to fight against bureaucratic decisions. I hope the government will take a commonsense approach and will omit the clause from the Bill.

Committee divided on clause:

Ayes, 44

Andrianopoulos, Mr (*Teller*)	McCutcheon, Mr
Baker, Mr	McDonald, Mr
Barker, Mrs	Mathews, Mr
Batchelor, Mr	Micallef, Mr
Cain, Mr	Pope, Mr
Cole, Mr	Ray, Mrs
Crabb, Mr	Roper, Mr
Cunningham, Mr	Rowe, Mr
Dollis, Mr	Sandon, Mr
Ernst, Mr	Seitz, Mr
Fordham, Mr	Sercombe, Mr
Garbutt, Mrs	Setches, Mrs
Gavin, Mr	Sheehan, Mr A. J.
Hamilton, Mr (*Teller*)	Sheehan, Mr F. P.
Harrowfield, Mr	Shell, Mr
Hill, Mrs	Simmonds, Mr
Hirsh, Mrs	Spyker, Mr
Jolly, Mr	Thomson, Mr
Kennan, Mr	Trezise, Mr
Kennedy, Mr	Vaughan, Dr
Kirner, Ms	Walsh, Mr
Leighton, Mr	Wilson, Mrs

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Austin, Mr	McGrath, Mr W. D.
Bildstien, Mr	McNamara, Mr
Brown, Mr	Maclellan, Mr
Clark, Mr	Maughan, Mr
Coleman, Mr	Napthine, Dr
Cooper, Mr	Perrin, Mr
Delzoppo, Mr	Perton, Mr (*Teller*)
Dickinson, Mr	Pescott, Mr
Elder, Mr (*Teller*)	Plowman, Mr
Evans, Mr	Reynolds, Mr
Gude, Mr	Richardson, Mr
Hayward, Mr	Smith, Mr E. R.
Honeywood, Mr	Smith, Mr I. W.
Jasper, Mr	Steggall, Mr
Kennett, Mr	Stockdale, Mr
Kilgour, Mr	Tanner, Mr
Lea, Mr	Wade, Mrs
Leigh, Mr	Wallace, Mr
Lieberman, Mr	Weideman, Mr
McGrath, Mr J. F.	Wells, Dr

Clause agreed to.

Clause 6

Mr POPE (Minister for Labour) — I move:

5. Clause 6, lines 7 to 11, omit all words and expressions on these lines and insert —

"rate or charge in respect of each portion of that land for which the Council has a separate valuation.

(2) If a valuation treats as a single rateable entity land that is owned separately by 2 or more people, a Council may apportion any rates or charges that apply to that land in accordance with the value that each separately owned parcel of that land bears in relation to the value of that land as a whole.".".

The amendment seeks to change the rating provisions of the Local Government Act and is designed to implement the principle of occupier assessment. It must be read in conjunction with amendments proposed to the Valuation of Land (Amendment) Act 1989 by amendments Nos 8, 9 and 10. It is proposed to spell out all matters relating to the valuation of land in the Valuation of Land Act 1960.

The Local Government Act 1989 would then simply require a council to levy a rate or charge on each portion of land for which a council has a separate valuation. If the land is separately owned by more than one person the council may apportion the rate or charge among those owners on the basis of the value each portion bears to the total.

Mr DELZOPPO (Narracan) — When speaking to clause 1 the honourable member for Mornington referred to the fact that clause 6 and the government's amendments have a history.

It was clear under the Local Government Act 1958 that rates were the responsibility of the occupier. The concepts of the 1958 Act were re-enacted in the Local Government Act 1989, except that the emphasis shifted away from the occupier to the owner.

As the honourable member for Mornington mentioned in his speech, at that time the opposition pointed out to the government that the change was impracticable and would not work. The relevant section of the 1989 Act was not proclaimed. This amendment takes us back to the concept embodied in the 1958 Act.

Amendment agreed to.

Dr NAPTHINE (Portland) — I seek your guidance, Mr Chairman. When introducing the amendment the Minister said it should be read in conjunction with proposed amendments Nos 8, 9 and 10, which deal with the Valuation of Land (Amendment) Act.

As was stated by the honourable member for Narracan, the issue addressed here is whether liability falls on the owner or occupier and, in particular, the vexed question of the definition of land which is designed to be occupied separately but which at a particular stage of its development is not occupied separately.

That matter is dealt with in amendment No. 10 but relates specifically to this question. I ask your guidance, Mr Chairman, as to whether we should deal with it or whether my comments specifically relate to amendment No. 10.

The CHAIRMAN — Order! I should say the honourable member is in order in referring to it.

Dr NAPTHINE — Proposed amendment No. 10 is fundamental to a consideration of the amendment proposed to clause 6.

As amended, proposed section 158A of the Local Government Act states in part:

> If the Council levies a rate or charge on any land, the Council must separately levy that rate or charge in respect of each portion of that land for which the Council has a separate valuation:

Amendment No. 10 proposes to insert in the Valuation of Land Act the following subsection:

> (7A)If a portion of a parcel of land on which a building is erected is occupied separately, or is obviously adapted to being occupied separately, from other land in the parcel, that portion must be regarded as forming a separate rateable property and must be valued accordingly.

There are two criteria: if a building is erected or occupied separately or is adapted to being occupied separately, the portion of the parcel of land on which it stands must be regarded as a separate rateable property. And as clause 6 now stands the local council must levy a separate rate because of the separate valuation that is applied. A dilemma arises, because the situation in the city can be very different from the situation in the country.

If six shops in a block of ten are occupied separately, there will not be a problem because they will be valued separately and rates will be apportioned to the occupiers accordingly. And if the remaining four are adapted to be occupied separately but are owned by one person, the occupancies will also be valued and rated separately and, as such, may attract the minimum municipal charge, which has replaced the former minimum rate.

However, the three parcels of land that make up a farming property may each have separate titles and may each have a separate building — for example a hayshed, a dairy and a house. Alternatively, two of the parcels of land may each have a house on it, one occupied by the farmer and the other by his son or daughter. Commonsense dictates that if the properties are contiguous they should be considered as part of the one unit and rated accordingly. However the clause and the proposed amendment could easily be interpreted as requiring each of the three parcels to be rated separately because each contains a building that is adapted for separate occupancy.

That fact that each of the three parcels of land has a building on it that is adapted for occupancy may not necessarily mean that the buildings could be lived in, even though they could be occupied as separate units. For example, the hayshed or the dairy could be occupied separately by being leased out to a share farmer.

Subsection (7A) as proposed by amendment No. 10 provides that each portion must be regarded as forming a separate rateable property and must be valued accordingly; and clause 6 now provides that a local council must impose separate rates on each of those portions of land for which the council has a separate valuation.

Some of the portions, or subunits, may attract only a minimum municipal charge, so the total cost of the rates to that person may increase — —

Mr Maclellan interjected.

Dr NAPTHINE — And may increase unreasonably, as the honourable member for Berwick says by interjection. That is the dilemma we have raised in our briefings with officers from the Office of Local Government.

I do not believe proposed amendment No. 10, which must be read in conjunction with clause 6, will solve the problem.

Mr Maclellan interjected.

Dr NAPTHINE — The honourable member for Berwick is obviously very intelligent — —

The CHAIRMAN — Order! No-one would deny that, but he is out of order in interjecting!

Dr NAPTHINE — He has quickly picked up the nub of what I am saying. If there is insufficient time for the Committee to consider the matter, I ask that it be considered while the Bill is between here and the other place.

I suggest that in clause 6 the word "must" be omitted and that the word "may" be inserted in its place — and similarly in subsection (7A) as proposed by amendment No. 10. The change would give a discretion to the valuer under the proposed subsection, and to the council, under clause 6, when deciding how best to deal with this vexed issue, which has caught the attention of honourable members on this side of the House. I am sure that the Minister for Labour and officers of the Office of Local Government have made the Minister aware of the ramifications.

Local government officers have told me that there is no easy solution to the problem, but I suggest that the substitution of "may" for "must" in the clauses I have referred to may be the best way to go.

Mr POPE (Minister for Labour) — As the honourable member for Portland has said, the provisions of the clause impinge on other clauses to which amendments will be proposed. However, it is important to put on the record that the Minister for Ethnic, Municipal and Community Affairs has told me she is willing to discuss the issue while the Bill is between Houses.

The issue to be decided is whether to address the substantial issue of the references to the Valuation of Land (Amendment) Act or to leave the Bill as it is, making only the amendments proposed.

I appreciate that the issue has been discussed at length with officers of the department. As I understand it, the opposition is seeking a substantial change not only to this amendment but also to amendment No. 10. Rather than dealing with the matter in Committee, I suggest it would be better to have the matter addressed while the Bill is between Houses.

As has been pointed out to Mr Hallam, who represents the Western Province in another place, all the government wishes to do is to have the existing arrangements put in place. If we go down the path suggested by the honourable member for Portland, substantial changes will have to be made to the Valuation of Land (Amendment) Act.

Amended clause agreed to.

Clause 7

Mr POPE (Minister for Labour) — I move:

6. Clause 7, line 33, omit "sub-section (5)" and insert "section 171(5)".

The amendment corrects a drafting error, as a result of which the reference to the section of the Act was left out.

Amendment agreed to.

Mr DELZOPPO (Narracan) — I have already referred to the fact that the Bill wrongly refers to the

Local Government Act 1958 — and this is the first time, so far as I can see, that the reference is made.

I have already directed to the attention of the Committee the fact that under the heading "Consequential amendments" section 4 of the Local Government (Consequential Provisions) Act states:

> (3) The Local Government Act 1958 as in force after the commencement of sub-section (4) is to be referred to as the Local Government (Miscellaneous) Act 1958.
>
> (4) For section 1 of the Local Government Act 1958, substitute —
>
> **Short Title**
>
> "1. This Act may be cited as the Local Government (Miscellaneous) Act 1958.".

I do not know what the legal consequences will be of allowing references to the Local Government Act 1958 to remain in the clause. I shall not go to the extent of proposing that the words and expressions "Local Government Act 1958" be deleted and that other words and expressions be inserted in their place. However, for the sake of local government officers who will be using the Act, I ask the Minister to make sure that no adverse repercussions will result from retaining reference to the Local Government Act 1958 in the clause.

Amended clause agreed to.

Clause 8

Mr PERRIN (Bulleen) — During the second-reading debate I referred quite extensively to this clause and indicated that I sought clarification of several items. Briefly, this clause will change the way councils can charge interest on overdue rates. In the past a fixed rate was set by the Governor in Council. Clause 8 will allow for a maximum interest rate and two options will be available to the government in fixing interest rates under the clause. This brings the issue into line with other areas of the interest rate provisions. For example, there has been a maximum rate for street construction and councils can charge below that rate.

The matter I raise with the Minister is that two methods are available to the Governor in Council in fixing that rate. Proposed section 172(2A) provides that it may be expressed as a straight percentage. At the moment it is a fixed 16 per cent rate. The alternative, which is contained in proposed section 172(2B), ties it to a specified floating institutional rate charged for loans or paid for borrowings by a public or commercial institution.

Is the government moving away from the present system of setting a maximum percentage interest rate? The reason I ask is that although I believed interest rates were being set at 16 per cent, I have just received my rate notice for this year and on it is a statement to the effect that I shall have to pay an interest rate of 16 per cent if I do not pay on time. I can see local councils charging the maximum. They will not charge below the maximum allowed in the clause.

Because of the state of the economy many people are late in paying their rates and will find themselves unable to pay the 16 per cent interest rate. Local government is borrowing at below 16 per cent and is making a profit. I should have thought that if Parliament were to set a maximum rate it would set it at a reasonable level. In saying that I am criticising the government. It changes the interest rate only once a year, on 1 October. Interest rates are dropping. In the next few weeks the Reserve Bank of Australia will consider dropping interest rates again, so before 1 October next year there could be significant reductions. If councils continue to charge at the maximum rate of 16 per cent they will charge well above what they are paying and will make a profit.

In setting the maximum rate, is the Governor in Council, through the government, moving away from the present percentage basis to a specified floating institutional rate? If so, I recommend that councils be able to say to their banks, "Pick one of the overdraft interest rates and fix it. Then you do not have to worry about it". The rates can float up and down, the maximum is there and the people are protected by the mechanisms in the Bill. If the government does that I shall make no more criticisms about the fact that the maximum rate of interest changes only once a year.

I am convinced that interest rates will drop. I should like the ratepayers who are least able to pay to benefit from those falls in interest rates by the setting of a fixed maximum rate at a more realistic level. I should like the Minister to tell me which course the government will pursue when the legislation is passed.

Mr POPE (Minister for Labour) — My understanding is that an institutional rate will be used. If that is not correct I shall let the honourable member know while the Bill is between the Houses.

The advice I have received recently is that the government will be considering an institutional rate.

Dr NAPTHINE (Portland) — I draw the Minister's attention to proposed section 172(2C), which states:

> If the Council sets a new rate, the new rate takes effect on the date set by the Council, and applies from that date to all money (other than interest) owing to the Council on that date.

I should like the Minister to explain why the term "other than interest" is included in brackets. It is my contention that if a person owes a significant amount to a council and the amount comprises two parts — one is the original debt which may be a rate or charge and the second is the interest accrued on the debt — that person would pay interest only on the original debt, or rate in this case, but would not pay interest on the accrued interest, which may be significant.

The interest may have accrued over some time and amount to several hundreds of dollars, or even thousands of dollars if one is talking about the central business district. That person may be amassing accrued interest at no cost, which disadvantages the council and other ratepayers. It is in order that the council set a rate and that the rate apply to all money owing to the council at that time. "All money" includes both overdue rates and accrued interest on those rates.

I am not suggesting that councils ought to charge interest on interest on a daily rate, but that every three or six months the accrued interest ought to be added to the total amount owing and be subject to the rate of interest applying at the time. The Minister will understand the point I am making. If a person had a rate bill of $100 000 the accrued interest owing to the council after six months of the ratepayer's owing that amount would be $12 000, and that person would be paying interest only on the $100 000 and paying nothing on the accrued interest, which is very cheap indeed if that person is in a commercial venture.

It is high time we tackled this issue. I ask the Minister to explain to the House why the expression "other than interest" is specifically included in the provision so that councils cannot charge interest on accrued interest.

Mr POPE (Minister for Labour) — I have to seek advice on the reason why "other than interest" is there. My understanding is that the clause would preclude anything but the issue of the new interest rate itself and that "other than interest" is perhaps superfluous. I shall seek advice while the Bill is between the Houses.

Clause agreed to; clauses 9 to 12 agreed to.

Clause 13

Mr POPE (Minister for Labour) — I move:

7. Clause 13, after line 24 insert —

"( ) in section 156(6) —

(i) after "unpaid" insert "and any unpaid interest on such a rate or charge";

(ii) before "are a first" insert "or interest".

This amendment amends section 156 of the Local Government Act, which provides that any unpaid rates and charges are a charge on land. Any unpaid interest on those rates and charges will also be a charge by virtue of the amendment. This is the current situation under the 1958 Act and the omission of interest from section 156 was an oversight.

Amendment agreed to; amended clause agreed to; clauses 14 and 15 agreed to.

Clause 16

Mr POPE (Minister for Labour) — I move:

8. Clause 16, lines 22 to 28, omit all words and expressions on these lines and insert —

"**Government Act 1989,** each separate occupancy on rateable land".

The amendment, together with amendments Nos 9 and 10, amends the Valuation of Land (Amendment) Act 1989 to preserve the existing scheme for valuing land. All matters relating to the valuation of land will now be set out in the Valuation of Land Act 1960.

The amendments proposed in clause 16 would alter the impact of a determination that land is "obviously adapted to being occupied separately". Under the Local Government Act 1958 the issue of whether land could be so regarded acted as a qualification to the treatment of contiguous land as a single entity for rating purposes.

Applying the scheme under the 1958 Act, the first matter to be determined was whether the land was

in fact separately occupied. All contiguous land occupied by the same person was to be treated as one property for rating purposes, unless a portion of that land on which there was a building was "obviously adapted to being separately occupied". The change to section 13DC(1) of the Valuation of Land (Amendment) Act 1989 restores the first principle to be applied in the valuation process.

Mr DELZOPPO (Narracan) — It is difficult to digest what the amendment will do. Clause 16 states:

> In section 8 of the Valuation of Land (Amendment) Act 1989, in proposed section 13DC ...

That section is not proclaimed yet. We are dealing with some intangibles in the Bill and it is difficult for lay people to follow what the consequences of the amendment will be. I make a minor protest, and as a result of having expressed my irritation I feel a lot better.

Amendment agreed to.

Mr POPE (Minister for Labour) — I move:

9. Clause 16, line 35, omit 'after "owned" **insert** "and' and insert 'for "owned" substitute"'.

The amendment is part of the package of amendments to restore the existing scheme for valuing land as explained in relation to amendment No. 8. The change to the proposed amendment to section 13DC(6) of the Valuation of Land (Amendment) Act 1989 restores the current practice of treating contiguous land occupied by the same person as one for valuation purposes.

Dr NAPTHINE (Portland) — Amendment No. 9 is difficult to understand when it is read in conjunction with the subsection. It is extremely difficult to understand what the amendment does. We raised this matter with officers from the Office of Local Government who were going to come back to us on how the new subsection would read when amended. Could the Minister read out how the section will read and explain what it means?

Mr POPE (Minister for Labour) — I certainly give an undertaking that, while the Bill is between Chambers, discussions will be held with the departmental officers and/or the Minister and the opposition.

Amendment agreed to.

Mr POPE (Minister for Labour) — I move:

10. Clause 16, after line 36 insert —

> "( ) after sub-section (7) insert —
>
> "(7A) If a portion of a parcel of land on which a building is erected is occupied separately, or is obviously adapted to being occupied separately, from other land in the parcel, that portion must be regarded as forming a separate rateable property and must be valued accordingly.";".

Once again this amendment is part of the package of amendments to restore the existing scheme for valuing land, as explained in my remarks on amendment No. 8. Proposed new section 13DC(7) of the Valuation of Land (Amendment) Act 1989 restores the existing scheme under which land on which there is a building and which is "obviously adapted to being occupied separately" must meet two criteria to qualify for treatment as one entity of contiguous land for rating purposes.

Amendment agreed to; amended clause agreed to; clause 17 agreed to.

Clause 18

Mr COOPER (Mornington) — A matter was directed to my attention by the Shire of Mornington which relates to an omission in section 3 of the Local Government (Consequential Provisions) Act, which was amended by way of the Local Government (Amendment) Act 1990. The section makes it rather complicated. The Shire of Mornington says there is an area of concern that has not been addressed by the proposed changes, namely, section 3(2)(d) of the Local Government (Consequential Provisions) Act 1989, which states that "a minimum rate must not be levied" in respect of any rateable properties on which a minimum rate was not levied in the prescribed year.

For clarity I shall read the letter from the Shire of Mornington and perhaps the Minister will respond or, alternatively, take the matter on board while the Bill is between here and another place. Apart from laudatory comments the shire made about me, which I will not put on record — —

The CHAIRMAN — Order! Perhaps the honourable member will table the letter so that we can all read it!

Mr COOPER — The Shire of Mornington says:

> Sections 3(2)(c), 3(2)(d) and 3(2)(e) (which were later insertions into the Act) specify some conditions

applying to the phase-out. While (c) is reasonable and achievable without significant impact on the incidence of rating and (e) is basically explanatory only, (d) is totally unrealistic and not in accord with the apparent intention to give councils scope to phase out minimum rates in a reasonable and equitable manner.

Section 3(2)(d), if allowed to remain, will mean that new assessments, created after the prescribed year (e.g. by subdivision) will not be subject to the application of a (reducing) minimum rate. This would create the ludicrous situation of identical properties having significantly different rating levels. The provisions would see the introduction of a mandatory differential rating category and consequent inequity in rating and unreasonable shifts in the incidence of rating.

The provision would also cause further problems for those municipalities which return a general revaluation on 1.10.92. The movements in valuations between and within property classes at the time of general revaluations tend to vary the potential for the application of minimum rates. The application of subsection 3(2)(d) would complicate and confuse the transition.

It would appear that the subsection may have been introduced to head off those councils which may have sought to manipulate minimum rates to avoid the spirit of the legislation. However, in doing so, the provision will in fact override the principal aim of section 3(2), namely, the smooth and equitable phase-out of minimum rates.

The letter puts it in a nutshell! The shire has made an important point concerning an omission that should and obviously could be dealt with under clause 18.

I ask the Minister for Labour to take the matter on board. I hope an amendment that addresses the issue can be introduced when the Bill is before the other place.

Mr DELZOPPO (Narracan) — It is a difficult concept to bring across, but I put on the record that in the letter from the Shire of Mornington to Mr Robin Cooper, MP, an important paragraph was included that he has left out. It says:

Your efforts in having these matters recognised as practical and necessary changes to the legislation are greatly appreciated by council.

The point raised by the Mornington council concerns the phasing out of the minimum rates from 1 October 1992, as expressed in clause 18. The provision was first legislated for in section 3 of the Local Government (Consequential Provisions) Act 1989. I was not aware that the Local Government (Amendment) Act 1990 amended the section. That is, that less than a year later the Act was amended and now everybody is chasing to catch up with the amendment. Section 3 was amended to include subsections (c), (d) and (e), which provide:

(c) A minimum rate levied under paragraph (b) must not exceed the minimum rate levied in the prescribed year;

(d) A minimum rate must not be levied under paragraph (b) in respect of any rateable properties on which a minimum rate was not levied in the prescribed year;

(e) A reference in paragraph (b) to rate revenue raised by a minimum rate in a particular year is a reference to the difference between the rate revenue received from the rateable properties on which the minimum rate is levied in that year and the rate revenue that would have been received from those rateable properties if no minimum rates had been levied in that year.

I am sure the Committee can understand that and digest all that English! I point out that (d) is the difficult one. The Shire of Mornington has a good case for the deletion of the paragraph on the grounds of uniformity and fairness. I can see why it was included — probably, as the Shire of Mornington indicates, to head off manipulations by councils. However, it should be deleted in fairness and given the impacts cited by the Shire of Mornington. A classic example would be blocks on which the minimum rate was payable in the year 1991-92, which would continue to have the minimum rate levied in 1992-93, the first phase-out year, but with an adjoining block sold in, say, September 1992 and rated separately for the first time in 1992-93, which would be rated without the minimum rate applying, thus applying a lower rate. The Mornington council says it was aware of the issue but desires to leave it as an encouragement not to have the minimum rate levied on day 1 rather than allowing for the phase-out in the minimum rates in the legislation. If this were the case it would be circumventing legislation already passed by Parliament.

Some councils will no doubt opt to cease applying the minimum rate on day 1 because it will have an impact on their incomes. However, many councils, particularly the small ones, would continue to apply the minimum rate. The effect of leaving (d) in place

would not be sufficient to induce them to drop the minimum rate on day 1.

If an amendment is not proposed while the Bill is between here and the other place, an injustice will be done to subdivisions, as I have already outlined. It is time the government took the matter on board. I shall not move an amendment but I ask the Minister to consider the matter, along with a couple of other issues, while the Bill is between here and another place and decide if some amendment could be introduced to put a stop to the anomaly.

Mr POPE (Minister for Labour) — I agree with the honourable member for Narracan on the confusing nature of some of the amendments to the Act. Obviously I am prepared to give the commitment that discussions can ensue while the Bill is between here and the other place. However, further adjustment to the phase-out provision would probably make it even more confusing. In respect of the removal of the minimum rate provision, the initial reason for its introduction was that the poll provisions were not in place. Today indications have been given, as they were during the second-reading debate, that the removal of poll provisions will be rejected when the Bill is in the other place.

With the removal of the poll provisions and a greater acceptance of differential rating, the minimum rate and inequities within the phase-out of the minimum rate could be allowed and adjusted for by virtue of the use of the differential rating. It would appear that is not going to be available on the basis of argument put during the second-reading debate and during the Committee stage.

I make the commitment to the honourable member for Narracan that discussions can ensue about the issue.

Mr DELZOPPO (Narracan) — In my defence on the point, it is all very well for the Minister to take that line, but I suggest to him that even if the poll provisions — —

The CHAIRMAN — Order! I understand the honourable member for Narracan has already spoken twice on this matter. Is leave granted for him to speak again?

Mr POPE (Minister for Labour) — Leave is granted.

Mr DELZOPPO (Narracan) *(By leave)* — Even if the poll provisions were in place, the situation regarding the Shire of Mornington would not be altered even a little because by the time the council went through the provisions to change its rating system from what it is now — I suspect NAV — to capital improved value, it would not overcome the problem in the coming rating year. The Minister's defence has a lot of holes in it, and I do not accept it.

Clause agreed to; clause 19 agreed to.

Clause 20

Mr POPE (Minister for Labour) — I move:

11. Clause 20, lines 25 to 29, omit all words and expressions on these lines and insert —

"tariff in respect of each separate occupancy on that property.

(10) In determining what constitutes a separate occupancy, the Authority must use the relevant principles set out in the **Valuation of Land Act 1960**.

(11) Any fee imposed under this Act as in force before the amendment made by section 20 of the *Local Government (Rating) Act 1991* is as valid as if it had been imposed under this Act as amended by that section.".

The amendment amends clause 20 of the Bill, which allows a water authority to impose fees on an occupancy basis. The amendment will ensure that an authority uses the principles laid down in the Valuation of Land Act to determine what constitutes an occupancy.

The amendment also validates any fee inadvertently imposed under a tariff that was based on a valuation using occupancy data. Until the amendment takes effect, all valuations must be based on ownership.

Mr DELZOPPO (Narracan) — The amendment applies to the Water Act and therefore does not apply to the former Melbourne and Metropolitan Board of Works, now known as Melbourne Water. I am not sure on what authority the former Melbourne and Metropolitan Board of Works now calls itself Melbourne Water, but that is another point that I shall not go into now.

The amendment moved by the Minister will result in the Water Act coming into line with the Local Government Act; the responsibility for rates will go to the occupier. I direct to the attention of members of the Committee the fact that while the amendment will amend the Water Act, and therefore affect mostly people in rural Victoria, those people who

come under the auspices of the Board of Works will not be affected. In evidence of this I refer to a letter received by Mr and Mrs P. Boake of Cambridge Drive, Glen Waverley, from the former Melbourne and Metropolitan Board of Works, now Melbourne Water — or the MMBW in transition. The letter states:

> Dear Mr and Mrs Boake
>
> The Minister for Conservation and Environment has asked me to respond to your letter of 13 September 1991 concerning liability for water consumption charges.
>
> The Board of Works Act, under which Melbourne Water operates, provides that water is supplied to the property owner and hence the owner is ultimately responsible for both the rates and water consumption charges. Other water authorities in Victoria and interstate have similar legislative provisions.
>
> The relationship between the landlord and tenant is governed by provisions contained in the Residential Tenancies Act.
>
> The Residential Tenancies Tribunal has the power to make determinations ...

The letter continues in that vein. A gross injustice will be perpetrated because the people in rural Victoria will have one set of rules applied to them but those who come under the former Melbourne and Metropolitan Board of Works will have a different set of rules applied to them.

I do not believe that is fair. If the government were of the mind to amend the Water Act to fall into line with the Local Government Act, why did it not do so with the Melbourne and Metropolitan Board of Works Act? It would require only another clause. The Minister will have to answer that question when the Bill is between here and another place. If the Minister would like a copy of the letter to which I have just referred, I should be happy to provide him with a copy.

Mr POPE (Minister for Labour) — As the honourable member points out, only the water Acts are affected. One of the problems with the present operation of a number of water authorities is that they are charging on a certain basis and the amendment will validate the proper method of charging. I am not sure if that is the case with Melbourne Water. Obviously Melbourne Water is charging under owner liability and other water authorities are charging occupiers. The amendment will validate an incorrect practice. I shall take up the matter with regard to Melbourne Water. It is neither my responsibility nor the responsibility of the Minister for Ethnic, Municipal and Community Affairs, it is the responsibility of the Minister for Conservation and Environment.

Amendment agreed to; amended clause agreed to.

Clause 21

Mr STEGGALL (Swan Hill) — I am interested in the changes to the Water Act. I am disappointed that the Minister responsible for the Water Act is not in the Chamber. Will the Minister for Labour be prepared to discuss the amendments when the Bill is between here and another place because of the concern of the various interest groups? Those interest groups have been informed that the Act cannot be amended because an amending water Act will not be introduced, yet there are three Bills before Parliament amending the Water Act.

Will the Minister, when the Bill is between here and another place, see whether the Minister for Conservation and Environment is prepared to address some of the amendments being sought, about which the Minister for Labour has been saying that the government has no intention of amending the Water Act this year?

I am amazed at these amendments to the Water Act.

Clause agreed to; clauses 22 to 25 agreed to.

Clause 26

Mr PERRIN (Bulleen) — Clause 26 is a consequential provision that concerns the Treasurer having to reimburse local government on the amount that is waived. Local government waives pensioner concessions. In the briefing with the Minister's officers, the opposition asked a number of questions about pensioner concessions. The clause, which is of concern to the opposition, states:

> ... the Treasurer must pay to the council an amount equal to any amount the council validly waives ...

The government fiddled the books in the 1990-91 Budget. When local government paid pensioner concessions it went to the Treasurer asking for that money to be reimbursed, but the government fiddled the Budget by $13 million by holding that money over until the following year. The pensioners

would have received rate concessions from local government but local government could not get the Treasurer to reimburse that money.

If local government is to give concessions on behalf of the government — effectively the taxpayers of Victoria — to pensioners, the Treasurer has to reimburse local government. There must be a proper basis for that reimbursement.

Although the clause says that reimbursement must take place, it does not say when. That is the argument the opposition has with the government. It cannot say to local government when it applies for the reimbursement: "Sorry, we are fiddling the Budget this year, you're not getting $13 million for the pensioner concessions, we will delay it for a few months so it passes into the next financial year".

The maximum pensioner concession since 1982 has been $135. That amount was set when the opposition was in government. I pointed out in the second-reading debate that because of inflation pensioner concessions have been eaten away to such an extent that they are only worth half that amount. I could not have the clause agreed to without putting on record the despicable act the government has inflicted upon local government by forcing it to finance for many months the concessions it has passed on to pensioners. The clause should state a time when the reimbursement should be paid. The government is holding local government to ransom by making it wait for that reimbursement. Local government has been treated with contempt on this matter. Such a situation should never happen.

Clause agreed to.

Clause 27

Dr NAPTHINE (Portland) — Clause 27 is one of the clauses that relate to amendment No. 2 regarding retrospectivity. Clause 27(1) has been made retrospective to 9 May 1989. Clause 27(1)(c) refers to the retrospective provision in the Local Government (Consequential Provisions) Act 1989, Schedule 3, item 60, which is repealed.

I have had difficulty in coming to grips with why the provision is retrospective and what it is all about. Item 60 of Schedule 3 of the Local Government (Consequential Provisions) Act 1989 refers to Part XXVIIIA and, under "Extent of Amendment or Repeal", states:

> This Part is repealed.

Therefore, Schedule 3, item 60, repeals Part XXVIIIA of the Local Government Act 1958. The heading to Part XXVIIIA of that Act refers to "urban renewal" and concerns how a council can be the "renewal authority" for urban renewal and the making of recommendations under section (3)(1) of the Urban Renewal Act 1970. It applies to the City of Geelong and the City of Melbourne. Therefore, the provisions of the Local Government (Consequential Provisions) Act stipulate that Part XXVIIIA of the Local Government Act 1958 is repealed.

Now item 60 of the Local Government (Consequential Provisions) Act is repealed. It is the repealing of a repeal that effectively reinstates urban renewal which is dealt with by Part XXVIIIA of the Local Government Act 1958.

Not only that, the provision is to have a retrospective effect. That seems an extraordinary turn of events. In the suspicious and cynical mind that I have developed in my short time in this place while this government has been in power I wonder whether there is a secret agenda. I wonder why the government has gone about these apparently very complex changes.

I wonder whether, under its Better Cities program and its infrastructure development program, the government is reinstating the urban renewal provision to shift the cost of many of such developments on to local government so that towns and cities will have funds allocated as specified in Part XXVIIIA of the Local Government Act 1958 and will have to develop their own funds for urban renewal.

The costs of any urban renewal, Better Cities or infrastructure development programs would be shifted from the State back to ratepayers and individual municipalities. Is that what we are on about here? What is the purpose of a repeal of a repeal? Have I interpreted it correctly? Why is it being made retrospective? What will be the outcome of the changes for local government?

Mr POPE (Minister for Labour) — It is probably superfluous because it has already been repealed.

Dr NAPTHINE (Portland) — I find the Minister's comments extraordinary. If the provision is superfluous why is it here? The Bill before the Committee has been the subject of much consideration for some time by local government officers. I presume the Bill has passed through caucus and the Cabinet and the government has

said, "Now we need that". It is the deliberate intent of officers and the government. Now the Minister tells the Committee that the provision is superfluous.

What is happening here? Why is it superfluous? If that is so, let us move on that. I challenge the Minister to introduce an amendment deleting the provision, otherwise he should explain why the provision is before the Committee. Why are we to repeal a repeal? Are we returning to the urban renewal program for cities and towns according to Part XXVIIIA of the Act?

The Minister has said nothing to dissuade me from the view that the Local Government (Consequential Provisions) Act 1989 repealed Part XXVIIIA of the Local Government Act. Now we are saying we will repeal that repeal so that we may reinstate that provision in the Local Government Act.

If that is not the case the Minister should say so. If it is superfluous, he should move an amendment to delete that Part. A provision in the Bill retrospectively repeals a repeal. Obviously the Minister thought it was important enough to include the provision in an earlier amendment to obtain that retrospectivity. His statement that it is superfluous needs further explanation.

Mr POPE (Minister for Labour) — I do not have much disagreement with the honourable member; if it is superfluous it should not be there and it may be dealt with while the Bill is between here and another place. That is my advice.

Clause agreed to.

Clause 28

Mr POPE (Minister for Labour) — I move:

12. Clause 28, line 13, omit "Act" and insert "section".

13. Clause 28, line 17, omit "Act" and insert "section".

The amendments correct drafting errors.

Amendments agreed to; amended clause agreed to.

Clause 29

Mr POPE (Minister for Labour) — I move:

14. Clause 29, page 16, line 6, omit "commencement of section 1" and insert "date of commencement of section 21".

The amendment corrects a drafting error.

Amendment agreed to.

Mr POPE (Minister for Labour) — I move:

15. Clause 29, page 16, line 7, omit "Authority's current financial year" and insert "financial year of the Authority in which that date falls".

This amendment relates to the saving of any interest rate fixed by a water authority prior to the changes made in clause 21. The clause as amended will save the rate until the end of the relevant rating year rather than the financial year.

Amendment agreed to; amended clause agreed to.

The CHAIRMAN — Order! Before I report the Bill to the House with amendments I inform the Committee that in the division on clause 5 it was reported that the number for the Noes was 39. On recounting it has been found that the number should have been 40. The Clerk will make the necessary corrections to the division list.

Mr DELZOPPO (Narracan) — On a point of order, Mr Chairman, my curiosity consumes me. How was the error found?

The CHAIRMAN — Order! Apparently there was an incorrect tally. A recount was done after the announcement of the division when it was discovered the number should have been 40, not 39.

Reported to House with amendments.

Report adopted.

Third reading

Mr POPE (Minister for Labour) — I move:

That this Bill be now read a third time.

In the second-reading debate and during the Committee stage the opposition said it will oppose the deletion of the poll provisions when the Bill is in another place. It would be unfortunate if that occurred because, as I stated during my second-reading contribution, the deletion of the poll provisions is supported widely by local government.

At a recent meeting in Stawell of the Municipal Association of Victoria all delegates were in favour of the government's proposals about the poll provisions. The position adopted by the opposition on this issue is very paternalistic. It is necessary for the poll provisions to be deleted if we are to move to

differential rating. I shall deem it unfortunate if there is no reconsideration of this matter prior to the Bill being debated in the other place.

I regard local government as one of the three spheres of government, not the third sphere. It is not a matter of being paternalistic and telling local government what to do. In the Committee stage the honourable member for Bulleen said this provision would lead to a lack of democracy and that local government was being treated as second-class. The government's attitude is the opposite to that; its strong view is local government has the right to determine the rating system. The elected members of each council throughout Victoria have the right to determine the rating provisions and indeed the Municipal Association of Victoria, to which I have already referred, holds the same strong view. Ratepayers have a democratic right which they exercise when they elect council members to make that decision in the same way that the electorate elects members to State Parliament.

I do not believe the paternalistic approach of Parliament should be imposed on local government which has that democratic right. I hope the opposition will reconsider the deletion of the poll provision when the Bill is between here and another place.

Mr DELZOPPO (Narracan) — In reply to the proposition put forward by the Minister, the removal of the poll provision will deny ratepayers their democratic right to call for a poll on one of the crucial issues in the municipal year, that is, the application of a specific system of rating on a specific class of property.

The poll provision, which has been in existence for a long time in this State, allows ratepayers the opportunity of deciding the system of valuation the council may use if 10 per cent of the ratepayers wish to exercise that option. However, if the majority of the ratepayers are in favour of the council's decision, no poll is held.

The Minister should not attack the opposition on this point because his attitude is wrong. If the overwhelming majority of the ratepayers agree with the council's decision a poll is not held. It is the ratepayers who have to take the action and it has been pointed out by the honourable member for Malvern and other opposition members that the ratepayers incur considerable expense and trouble to hold a poll. For the Minister to go on with this nonsense at this late stage is not acceptable to the opposition. The clause has been agreed to and the report has been accepted by the House. However, clause 5 will be opposed in the other place.

Mr COOPER (Mornington) — I find the contribution made by the Minister on the third reading to be extraordinary and I support the remarks made by the honourable member for Narracan. I also support the right of ratepayers to have a strong voice in the setting of rates to be levied on their properties. The Minister would have us believe that in some way we are turning back the clock on democracy by insisting that the poll provisions be kept in the Local Government Act.

By taking the stance we are taking we are preventing the government from taking away the right of ratepayers to have a voice in one of the most important decisions that can be made by their municipalities, that is, a change in the rating system.

We explained our position more than adequately during the Committee stage and I suggest that if the government wants to discover who is right on this issue it should hold a referendum to see whether the voices it has been listening to are representative of the people. I am sure the government would be surprised because the voices it has been listening to are extreme on one side of the argument. The government has been listening to bureaucrats, not to the people. It has been listening to people who regard the poll provisions as an unnecessary intrusion in the way municipalities are administered. That does not augur well for the people who are paying the bills, the ratepayers.

The opposition is simply saying that ratepayers have the right to protect themselves from arbitrary change and the poll provision is the way they can protect their rights. To take those rights away would be a blow against democracy. This is the second time the government has attempted to remove the poll provisions and it is the second time the opposition has objected. The opposition will continue to stand up to the government because it believes in the rights of the ratepayers of this State.

It is not good enough for the government to berate the opposition. The government has been listening to the wrong people and if the government were to listen to the ratepayers it would have a different attitude.

Motion agreed to.

Read third time.

LAND (REVOCATIONS AND OTHER MATTERS) BILL

Order of the Day read for resumption of debate.

The SPEAKER — Order! As the required statement of intention has been made pursuant to section 85(5)(c) of the Constitution Act 1975 I am of the opinion that the second reading of this Bill requires to be passed by an absolute majority.

Second reading

Debate resumed from 10 October; motion of Mr CRABB (Minister for Conservation and Environment).

Mr HONEYWOOD (Warrandyte) — I wish to correct a statement made by the Treasurer earlier today to the effect that to accommodate the opposition in the rescheduling of this Bill the government was willing to have the Bill brought on after the second item. That was a misconception because at the time the honourable member for Hawthorn spoke to the Leader of the House the matter had not been to the party room for a decision. However, we were in a position to lead off with this Bill as the first item of Government Business. I place that on record for the Leader of the House.

This Bill is a potpourri of measures relating to Crown land and the revocation of land reservations. Unlike a number of other revocations of land reservation Bills that were debated in this place in May of this year, this Bill does not actually relate to the sale of large areas of government land; it does, in one clause, relate to a minor amount of land in Beechworth which concerns only a small amount of money.

The opposition will not oppose the Bill but, for genuine reasons, has had real concerns about similar Bills that have permitted the fire sale of government assets. In the current economic climate the opposition has a duty to the taxpayers of Victoria to ensure they receive value for money for Crown land sold off at fire sale prices.

The opposition will not oppose the Bill because for a change it does not involve the selling of public assets but the revoking of Crown land reservations.

I shall address the substantive matters in the Bill clause by clause because they are distinct. Clause 3 revokes the reservation of part of Westerfolds Park. This park is a large urban park located in the Bulleen-Doncaster area near the Yarra River. It is a wonderful park and I often take my young children there to feed the ducks at the billabong at Bulleen. During a by-election the government, in a pork-barrelling exercise, agreed to the duplication of the bridge across the Yarra River in Fitzsimons Lane. Even though that pork-barrelling exercise involved the deferral of other important road projects in the vicinity and the fast-tracking of this project the opposition was pleased to see capital works money being expended by the Treasury for the outer eastern suburbs.

To meet the requirements of the duplication of the bridge across the Yarra River at Fitzsimons Lane the government is building a loop access road to assist the public to gain access to Westerfolds Park and increase the recreational opportunities in that wonderful parkland. The opposition will not oppose the removal of this land reservation which excises 2434 square metres of public land.

A concern was expressed that if the Bill were not passed quickly problems would be created because the Roads Corporation had not given the Department of Conservation and Environment sufficient time and a bridge contractor is now waiting for the Bill to be passed before he can meet his contractual obligations. As usual the government is foisting a Bill upon Parliament to remedy an administrative oversight by one of its departments. In the interests of helping out the private sector contactor the opposition will assist the government and grant the Bill a hasty passage.

The amendment also assists the electors of Warrandyte who will gain double the amount of land in compensation from the electorate of the honourable member for Bulleen. The burghers of Warrandyte will receive 4500 square metres of new reserve for flora and fauna purposes. As the member for that electorate I am pleased to support the relevant clause because it will create nice open space in the Warrandyte area and we all know how important that is. The City of Doncaster-Templestowe supports the amendment.

Clause 4 revokes the reservation of part of the Albert Park reserve. It involves surplus land in the precincts of the St Kilda railway station and deals with 3072 square metres of Albert Park reserve which is vested in the Public Transport Corporation and has been used as part of the St Kilda railway station grounds for more than 100 years. The area is physically separated from the remainder of the

reserve by a significant difference in land levels and by cyclone fencing and a row of mature trees.

The Department of Planning and Housing proposes a public housing project and joint commercial development. In return for the land being handed over for the project another area of land of approximately 2.6 hectares will be used as a linear park incorporating a bicycle track. Again the opposition has no real concerns with this clause. The City of St Kilda supports the amendment provided it has input on a committee of management.

The area of land in Albert Park has been used for road and light rail works and looks like a concrete jungle. I do not know if the Minister has seen the area recently, but its ambience leaves a lot to be desired. Although the opposition is pleased that a bike track will be constructed I seek an undertaking from the Minister that some beautification works will be done.

Clause 5 revokes the reservations for the May Day Hills Hospital grounds at Beechworth. The government attempted to include this reservation in the Land (Reservations Removal) Bill, which was introduced in May this year. Since that Bill came before the House the Beechworth City Council has had a change of mind and does not wish to use the land, comprising approximately 11.5 hectares, for a public golf course. It now says the land may be rezoned rural for agricultural purposes. Given that the sale of this public asset will recoup only approximately $35 000 to $50 000 on current market estimates the opposition is willing to pass the clause in the interests of the people of Beechworth.

Because the downturn in the value of rural land is so bad, as I am sure the Deputy Leader of the National Party well knows, there is little prospect of rural market prices increasing for a number of years and therefore no point in the opposition throwing out the amendment now.

Therefore, we are willing to support — or, rather, not oppose — this particular clause. We recognise that the government is desperate to lay its hands on any money it can, and $50 000 might go some small way towards assisting with the consolidated revenue problems of the government.

I turn now to clause 6, which deals with a parcel of land in Port Fairy. I am sure many opposition members have a particular interest in speaking on this clause. There is an interesting historical anomaly, if you like. The parcel of land involved is only 728 square metres in area — it is in Bank Street, Port Fairy — and in 1881 it was reserved for the purpose of municipal offices. I have been told there is a significant historic building on the site which is being used as a restaurant, and I understand it is a very good restaurant.

At the time, the poor old burghers of Port Fairy had to come up with 100 pounds to give to the State government; I imagine that was a fair amount of money back in 1881. They spent that money to have the land reserved as a site for municipal offices.

The use of the site by the Port Fairy council has ceased and the Crown grant is now being revoked so that the council will be able to sell or redevelop the site to meet its planning objectives in the interests of tourism and for the benefit of the community.

I am sure that is a worthwhile venture for the further development of Port Fairy that all honourable members would support. I might add that Port Fairy is yet another small town that has been hit by the crisis of confidence in Victoria and the downturn in the rural area at present. Therefore, we are willing to support anything that will assist our friends in Port Fairy.

Clause 7 of the Bill repeals the Belmont Common Recreation Ground Lands Act 1969. There is an interesting historical anomaly in this case as well. In 1969 an Act was passed through Parliament which related specifically to this area of land. It is a large area. I am sure the honourable member for South Barwon will agree that precedents relating to public recreation have been set in that township that are worthwhile precedents for other townships to take on board.

The parcel of land in the Belmont park area involves some 323 acres, and I am sure the honourable member for Hawthorn will support my remarks because of his strong involvement in the Geelong region — —

Mr Gude — Where is it again?

Mr HONEYWOOD — It is in the *Melway* street directory at page 229. There is a common public golf course at Belmont as well as a number of other worthwhile ventures under the jurisdiction of the South Barwon City Council, including a rowing course. I understand the honourable member for South Barwon will refer to that in some detail later.

That land caters for the whole community of Geelong and, just as there are other worthwhile community facilities in Geelong such as the Grace McKellar Centre for Rehabilitation and Extended Care which caters for 155 senior citizens, I believe this project is very much a worthwhile community venture to support.

The South Barwon City Council is pleased to support the repeal of the Belmont Common Recreation Ground Lands Act.

Debate interrupted.

JOINT SITTING OF PARLIAMENT

Monash University

Victoria University of Technology

Victorian Institute of Marine Sciences

The SPEAKER — Order! The time has arrived for this House to meet the Legislative Council in this Chamber for the purpose of sitting and voting together to choose members of the Parliament of Victoria to be recommended for appointment to the Monash University council, a member of the Parliament of Victoria to be recommended for appointment to the council of the Victoria University of Technology, and a member of the Parliament of Victoria to be recommended for appointment to the Victorian Institute of Marine Sciences council.

Sitting suspended 6.15 p.m. until 8.2 p.m.

LAND (REVOCATIONS AND OTHER MATTERS) BILL

Debate resumed.

Mr HONEYWOOD (Warrandyte) — Part 6 contains a provision to repeal the Belmont Common Recreation Ground Lands Act 1969, and other general provisions normally contained in Bills of this nature. Over the past 25 years the Belmont Common Recreation Reserve has been extensively developed to meet a wide range of local and regional recreational requirements of both an outdoor and an indoor nature. Among other things golfing, football, cricket, baseball, cycling, motor-cross and indoor shooting facilities are available. The reserve is controlled by the City of South Barwon, which was appointed as the committee of management under the Crown Land (Reserves) Act 1978.

To assist in the development of recreational facilities within the reserve, the Belmont Common Recreation Ground Lands Act 1969 was enacted and authorised the committee of management to enter into leasing arrangements whereby various sporting clubs and organisations, in return for a secured tenure of land, undertook developments of a capital nature. Under the legislation leases could not be granted for a period beyond 30 July 1991.

The time has arrived for the situation to be remedied and authority now exists in the Crown Land (Reserves) Act 1978 for the committee, as with any other management under the Act, to enter into leases for a term of up to 21 years with the approval of the Minister. Leases under that Act are currently being negotiated.

The opposition held discussions with the South Barwon City Council, which indicated that it had no problem with the clause. The council remains the relevant committee of management and it believes the Bill allows this to continue. The opposition will also support this final clause.

In conclusion, I thank the local members for their support and input into the opposition's deliberations. I particularly thank the honourable member for Bulleen, who was of great assistance in establishing the position of the opposition with regard to the land that has been taken from the electorate of Bulleen and given to the people of Warrandyte in compensation for the 4700 hectares that will greatly add to the fauna and flora areas around Pound Road and add to the Warrandyte State Park. I also thank the honourable member for South Barwon for his support and for ensuring that his constituents are protected with regard to the Belmont Common Recreation Reserve.

It is a pleasure to support the government because in this case we are not seeing a fire sale of public assets — which has occurred too often — but legislation that will be of benefit to the community.

Mr DICKINSON (South Barwon) — I support the Bill and indicate the support not only of the City of Geelong but also of the City of South Barwon, which is the managing city authority in respect of the Belmont Common Recreation Reserve, which for more than 25 years has been used for different activities. In recent years it has been developed for use as a golf hitting range, for dog obedience classes, a pistol range and bike tracks, and when visiting circuses come to Geelong they use part of it.

The James Harrison bridge is adjacent to the common, as are the Geelong rowing clubs, which have shown their interest in rowing and canoeing facilities. During the bid for the Olympic Games, Geelong missed out and the Carrum Water Sports Centre was built at the behest of the Minister for Sport and Recreation. However, the Geelong-Belmont Common would lend itself to the development of a 2000-metre rowing course. That is undoubtedly where it should have been because in answers to questions I asked in 1982-83 it was estimated that a course could be developed at a cost of $3 million. The Geelong Water Board estimated the cost at $5 million and the Carrum facility finally cost the Victorian taxpayers $11 million.

The Holme Pierrepont National Water Sports Centre in Nottingham in the United Kingdom is a world leading venue that has been visited not only by the Minister for Sport and Recreation and the Honourable David Henshaw in another place, but also by the shadow Minister for sport, the honourable member for Gisborne, and the member for South Barwon. That centre could serve as a model for what could be done with the Geelong-Belmont Common, an area of 323 acres that lends itself to a variety of uses. I shall briefly place on record a summary of the facilities offered at the Holme Pierrepont centre in Nottingham, which I visited on a Commonwealth Parliamentary Association study trip to the United Kingdom.

The Holme Pierrepont water sports centre is a magnificent development on a site that was formerly a gravel quarry but has now been converted into a water sports centre and a conference centre. It has a canoe/slalom course that was built in 1986 at a cost of 2 million pounds. The water is diverted from the Trent River down a fall of 4 metres through a course where children are busily active all day.

The centre costs 1 million pounds a year to run. It generates 600 000 pounds in fees and approximately 200 000 young people use the centre. The national rowing championships cater for 1500 oarsmen and 1500 spectators. The facilities are available for a small fee of 4 pounds a day and campers and visitors wishing to fish have ample facilities in the 250-acre grounds.

There is a conference venue available for in-house conferences and there is accommodation for up to 80 people. Oarsmen or canoeists often wish to live on site whilst competing at the centre.

The centre manager spent 3 hours with the Minister and me, taking us over the complex. He offered us an opportunity to view a video that covered the full aspects of the centre. It includes facilities for disabled people, young children and care groups, who all use its facilities. The document continues:

> The concept was originally thought of by Cr Ian Yates, a Nottingham county councillor, and the current National County Council Chairman of Leisure Services is Cr George Dobson, a canoeing enthusiast who would like to see the slalom course patented and used in other parts of the world.
>
> The water-skiing course has an aerial ropeway patented by a German, and young people just pick up a tow line and are towed around the water-ski course.
>
> This centre is Britain's first, purpose-built multi-water sports centre, with facilities specially designed to meet the national requirements of canoeing, water-skiing and rowing.
>
> Unfortunately, the national rowing authorities tend to want to use other courses ...

They include local rivers such as the Henley River and other courses in the United Kingdom. It continues:

> The centre offers considerable scope for powerboating, ski racing, hydroplaning, surfing and sailing... it was a wet and dull day ... the bird life was attracted to this water centre —

that is like the Belmont Common —

> with Canadian geese, ducks and white swans all very prominent on the waterway.
>
> Holme Pierrepont's most outstanding feature is its extremely large rectangular stretch of water, 2215 metres long by 135 metres wide, surrounded by the pleasantly undulating landscape of a new country park, with the centre's very attractive main buildings merging with this landscape on the 2000-metre viewing area. The size and shape of these banks have been scientifically calculated in the hope of creating the best identical competitive conditions throughout all six rowing lanes, or nine lines for sprint canoeing.
>
> Special features on the main course are the starting platform at 2000 metres adjustable to boats of all lengths with adjustable intermediate start positions at 1500, 1000 and 500 metres, together with timing and commentary boxes, starter's tower, judging and course

control tower, electronic scoreboard, photofinish and electronic timing equipment.

The original rowing course cost in the order of 5 million pounds in 1970, and in 1986 the canoe slalom course was built at a cost of 2 million pounds. There is a separate water-ski lagoon, primarily for training, but large enough for competitive slalom, tricks and jumps. Major water-ski competitions can also be held on the main course, level with the main spectator areas. The recent addition of a ski tow further enhances this facility, the potential of which is currently being developed.

As a public amenity, the country park remains open throughout the year for all quiet forms of relaxation. Walking, tourists, young people, fishermen who wish to go angling, picnickers, people viewing the bird life, and there is a horse riding trail around its perimeter, and cross country running activities throughout the park.

Admission is free except for special event days, major regattas, etc., when a small charge is made. Schools are encouraged to use the park and the nature reserve for the study of natural history, preservation of the countryside, training in camp craft, bird watching, etc.

The centre and country park are run as a joint venture between the Nottingham Shire County Council and the National Sports Council. The management committee comprises members of council ...

It also includes officials. It was opened by the Prime Minister, Mr Edward Heath, in 1973. The centre has played an important role in the national training and competitive program of amateur sports such as rowing, canoeing, water-skiing, with world championship events taking place every few years in rowing, canoeing and powerboating, with visiting crews from the Continent and other parts of the world.

Additionally each year sees the staging of at least three international tournaments, an average of six national championships, and twelve other major competitive events in angling, sailing, canoeing, rowing, powerboating and water-skiing. Schools and colleges are encouraged to use the facilities on a residential and non-residential basis during the quieter and mid-week periods.

The indoor lecture and conference facilities are used extensively for sports meetings and conferences, instructors training courses, coaching seminars and during off-peak winter months the social amenities enjoy an increasing demand for public and private functions, dinners, buffets, parties, receptions, dances, etc.

The main building provides residential accommodation for 66 people — 14 single and 26 twin-bed rooms. There is a lecture room and conference hall, with bars which generate some 70 000 pounds in revenue each year and lounges overlooking the water, and an administrative suite linked by a flying bridge to the control tower, fitness training room, dining room and reception areas. The first floor lounge bar overlooking the finishing line gives one of the best views of the entire site.

The artificial canoe/slalom course, which was opened by Her Royal Highness Princess Anne on 13 September 1986, was based on a similar course built in Augsburg for the 1972 Olympics, but incorporating many improved features, and the course has become a major national and international attraction.

One is immediately struck by the similarity of the floodplain area adjoining Nottingham, similar to the Belmont Common in Geelong.

For no other reason than to see that facility, the Minister for Sport and Recreation visited that region, as did the Honourable David Henshaw from another place, and Mr Henshaw made a report to the Geelong Regional Commission. The commission, in conjunction with its managing authority for the area, has to look in broad terms at the full utilisation of the common and put it to its best use for the whole region.

With the build-up to the Olympic Games the Carrum facility was developed at a cost of $11 million. Unfortunately Geelong missed out on having an old-time rowing course upgraded. There has been a long history of boat championships by many clubs on that river, including the Barwon rowing club and the Corio club, and the major schools also use that course.

I believe the Geelong Water Board has been the principal player in planting many of the trees and making the area most attractive. Unfortunately, it has not shown sufficient initiative, and it was a pity that, when its chief engineer went to Nottingham, he did not come back with a more positive plan for the development of the Belmont Common area.

Indeed, in recent times the bypass put into the Moorabool river near the Fyansford quarry could have been seized by Geelong Water Board as an

opportunity for developing it into the international water sports course.

I place this brief report on the record because the common is extremely important. It embraces a golf course hitting range, a dog obedience centre, a sports oval, a pistol target range and bike track. As I have outlined, the field naturalists in Geelong have developed the low-lying water areas to encourage the bird life and have made the area most attractive.

We need to capitalise on the tourism potential of those natural features in Geelong. We should not lose sight of the development of that floodplain beyond the Belmont Common, right through to the Barwon Heads, as a tourist attraction for its bird life. In fact, this week a sewerage aqueduct was classified by the National Trust. Its preservation will require some $500 000, if it is to remain a foot bridge.

The government must take on board these things and not let opportunities slip by. All honourable members, especially those representing Geelong, believe these facilities need to be looked after and that the groups that are given leases must have in mind the overall objectives of the region and the priorities that may have to be given to some major event at some later date.

With Sydney looking for the Olympic bid in the year 2000, it may be unlikely that Victoria will ever see another Olympic Games. However it is interesting to note that when international crews come to Melbourne they do not train in Carrum. They take their boats down to Geelong and use the facilities there. There is a need for the regional commission to have in mind the full development of a 2000-metre course capable of staging international events.

I support the Bill but I ask the Minister to recognise that such a managing authority has a task not simply to look after a minor interest already on the common but also to consider the overall picture for the region, and tourism generally. He should call upon the Geelong Regional Commission and the South Barwon Shire Council to furnish the feasibility reports.

At one stage the South Barwon council wanted to relocate the golf course. The type of horse-trading that was involved is unfortunate, but it gets back to the need for an overall planned development, including what the Belmont Common is being used in the best interests of the whole region.

The common is a most attractive area and has been enhanced by the people who use it. I suggest its full potential has yet to be recognised.

Mr CRABB (Minister for Conservation and Environment) — I thank honourable members for their support for the proposed legislation. With respect to the need for Albert Park to be beautified, I can assure honourable members that considerable beautification has already occurred there. Many trees were planted on the par-3 golf course, which made the tree people happy and the golfers unhappy. The government is continuing to endeavour to improve Albert Park Lake and its surrounds. I thank honourable members for their support and wish the Bill a speedy passage.

The ACTING SPEAKER (Mr Jasper) — Order! As the second reading of the Bill is required to be passed by an absolute majority, and as there are not 45 members present in the Chamber, I ask the Clerk to ring the bells.

Bells rung.

Required number of members having assembled in Chamber:

Motion agreed to by absolute majority.

Read second time; by leave, proceeded to third reading.

Motion agreed to by absolute majority.

Read third time.

JOINT SITTING OF PARLIAMENT

Monash University

Victoria University of Technology

Victorian Institute of Marine Sciences

The SPEAKER — Order! I have to report that, this day, this House met with the Legislative Council in the Assembly Chamber for the purpose of sitting and voting together to choose members of the Parliament of Victoria to be recommended for appointment to the Monash University council, a member of the Parliament of Victoria to be recommended for appointment to the council of Victoria University of Technology and a member of the Parliament of Victoria to be recommended for appointment to the council of the Victorian Institute

of Marine Sciences, and that the Honourable James Vincent Chester Guest, MLC, the Honourable Peter Ronald Hall, MLC, and Dr Gerald Marshall Vaughan, MP, have been duly chosen to be recommended for appointment to the council of Monash University; the Honourable David Mylor Evans, MLC, has been duly chosen to be recommended for appointment to the council of the Victoria University of Technology; and John Francis McGrath, MP, has been duly chosen to be recommended for appointment to the council of the Victorian Institute of Marine Sciences until 1 March 1992, and the Honourable David Ernest Henshaw, MBE, MLC, John Francis McGrath, MP, and Dr Ronald James Herbert Wells, MP, have been duly chosen to be recommended for appointment to the council of the Victorian Institute of Marine Sciences for a three-year term commencing 1 March 1992.

GAMING MACHINE CONTROL (CROSS-REFERENCE) BILL

Introduction and first reading

Received from Council.

Read first time on motion of Mr KENNAN (Attorney-General).

HEALTH (INFECTIOUS DISEASES) BILL

Second reading

Debate resumed from 3 October; motion of Mr KENNAN (Attorney-General).

Dr NAPTHINE (Portland) — The Health (Infectious Diseases) Bill covers three separate issues. The most important is the provision for the Chief General Manager of Health Department Victoria to call for the testing of a person considered to have HIV or AIDS or other prescribed infectious diseases if that person refuses to be tested following an incident which involves the possible spread of that disease to a health care worker or custodial service worker. The reciprocal also applies for a person who is considered to have been infected by a health care worker following such incident.

There are two other smaller issues. The Bill clarifies the power of the chief general manager to delegate his or her powers. Currently the powers can be delegated only to a person but the Bill provides for those powers to be delegated to a designated officer or position. Further, the Bill amends the legislation to ensure that municipal councils must be notified and allowed to be heard before any costs can be awarded against them in cases where a person makes a complaint of nuisance under section 45 of the Health Act.

I will deal with those two smaller sections first before moving to the principal part of the Act dealing with infectious diseases. Clause 5 deals with the delegation powers of the Chief General Manager of Health Department Victoria and reads:

> After section 8A(2) of the Principal Act insert —
>
> "(3) A delegation under sub-section (1) may be made —
>
> (a) in relation to a person or class of persons specified in the instrument of delegation; or
>
> (b) in relation to the holder, or the holder from time to time, of an office specified, or of each office in a class of offices specified, in the instrument of delegation.".

That administrative provision will allow the Chief General Manager of Health Department Victoria to delegate his or her powers to other people in the department. Many powers under the Health Act and other Acts are the responsibility of the chief general manager and may be delegated to heads of sections or divisions in the department, such as the chief medical officer or the director of personnel.

At present the principal Act provides that the chief general manager may delegate those powers only to specific persons who must be named. This amendment will enable the chief general manager to delegate powers to whoever happens to occupy a particular position at any given time. The change will make it unnecessary for delegations to be updated every time there is a change in the occupant of a position or the occupant of a position is absent on leave or for some other reason.

Under a strict interpretation of the Act at present a person acting in a position even for a short period would need to have a new delegation. In addition to being difficult administratively it could lead to difficulties if delegations were not kept up to date and a person acting in a position made a decision without the appropriate delegation.

The amendment will allow the chief general manager to delegate powers to specified positions or classes of officers, such as medical officers, dentists and registered nurses. It is clear this amendment is necessary to assist in administration and the opposition has no problem with it.

Clause 6 of the Bill is most interesting. It refers to section 45 of the Health Act, which is headed, "Failure of council to investigate a complaint", and reads:

> 45(1) if the council does not within a reasonable time of being notified of an alleged nuisance investigate the subject-matter of the notification, the person who notified the council may make a complaint to the Magistrates Court of the existence of the alleged nuisance.
>
> (2) The Magistrates Court may summon the person alleged to be causing the nuisance before it and the court may proceed as if the complaint had been made by a council.
>
> (3) If the court is satisfied that the person making a complaint under this section had reasonable grounds for doing so, the court may order the council to pay any costs and expenses incurred by that person.

At present section 45(3) of the Health Act allows a court to award costs and expenses against a council, even where a council may not have been notified of the action. Clause 6 of the Bill reads:

> After section 45(3) of the Principal Act **insert** —
>
> "(3A) The court must not order a council to pay any costs or expenses under sub-section (3) unless it first gives the council or its representative an opportunity to be heard.".

That is fair and reasonable. The amendment arose as a result of representations from the Shire of Pakenham. In a letter to the President of the Legislative Council, Mr Alan Hunt, the Shire Secretary of the Shire of Pakenham, Mr Ray Canobie says:

> Dear Mr Hunt,
>
> Re: Health Act — section 45...
>
> In short, despite vigorous ongoing action by council (which had been acknowledged by the Ombudsman in an early review of the case) the complainant decided that he had not had a satisfactory result and took action against his neighbour in the Magistrates Court.
>
> The council was not a party to this action.
>
> The complainant was successful and to council's astonishment the magistrate awarded costs against the council pursuant to section 45(3) of the Health Act (this section was misquoted by the magistrate as section 44 in his original decision).
>
> You can imagine our concern that councils can be held responsible for the costs of actions under section 45(3) without being given the opportunity to provide a defence.
>
> In our opinion this constitutes a denial of the basic principles of natural justice.
>
> Although council was given leave to appeal, and did so, resulting in a review of the decision regarding costs, it is our belief that an amendment of the Health Act is warranted to ensure the principles of natural justice be preserved.

Being a good local member Mr Hunt took up this matter in a letter dated 7 November 1990 to Caroline Hogg, the then Minister for Health. Mrs Hogg replied to Mr Hunt as follows:

> Thank you for your letter of 7 November 1990 suggesting an amendment to section 45 of the Health Act.
>
> I agree that the order for a shire council to pay costs in an action to which it was not a party is unacceptable.
>
> I have asked that a suitable amendment be included in the next Bill to amend the Health Act.

That amendment is included in the Bill before us today. That illustrates what can be achieved with commonsense when people approach their local member of Parliament. I commend Mr Hunt for his prompt action on behalf of the Shire of Pakenham and of all municipalities that could be caught by section 45(3).

The amendment embodied in clause 6 is fair and reasonable. That covers the two relatively minor amendments contained in the Bill.

The main purpose of this Bill is to allow the Chief General Manager of Health Department Victoria to order a person to be tested for human immuno-deficiency virus (HIV), hepatitis or any other prescribed infectious disease. The term "specified infectious disease" is defined in clause 4 of the Bill as HIV; any form of hepatitis which may be transmitted by blood or body fluid; or an infectious disease declared by the regulations to be a specified infectious disease for the purposes of the Act. The forms of hepatitis which may be transmitted by blood or body fluid are hepatitis B and hepatitis C.

The Bill is an important step forward. It cannot be taken lightly because it allows the Chief General Manager of Health Department Victoria to order a person to be tested against his or her will for these diseases.

That is significant step and should not be taken lightly. Nevertheless it should have been taken two or three years ago when it became evident that police officers, prison officers, health workers, emergency services staff and Community Services Victoria personnel were in increasing danger of becoming infected with HIV or hepatitis B or C.

Clause 8 of the Bill gives the Chief General Manager of Health Department Victoria the power to order the taking of a test for HIV, hepatitis, or other prescribed infectious diseases if he or she believes there is a risk of such diseases being transferred to health care workers, emergency service workers or custodial officers.

The coalition supports such a move, because almost two years ago to the day the Honourable Marie Tehan, the coalition shadow Minister for Health, issued a press release calling for the introduction of a Bill such as the Health (Infectious Diseases) Bill, and it is a pity the government has taken so long to introduce badly needed legislation.

Health care workers, emergency service workers and custodial officers are aware of the risks involved in their jobs. But the emergence of HIV and AIDS has added a new dimension to that risk. It is up to honourable members to do all we can to assist them to deal with the problems they face.

Medical evidence shows that those who are infected by the human immuno-deficiency virus inevitably develop full-blown AIDS and consequently die. At this stage there is no satisfactory treatment for AIDS, nor is a vaccine available to prevent infection — which also heightens the risks faced by health care workers and others.

The incidence of AIDS has already reached epidemic proportions. An article in the *Age* of 15 October this year entitled "A global picture of AIDS" states that the estimated cumulative global total of HIV infected adults in 1990-91 is about 9 million. That means that, although infection rates vary from region to region, one in 250 adults throughout the world is infected with the virus, which shows the extent of the problem.

Another article in the *Age* of 15 October written by Sally Heath refers to comments made by Dr Gertig, an epidemiologist at the Macfarlane Burnett Medical Research Centre. She states that the latest Victorian figures show that just over 2500 people are infected with HIV and that about 25 diagnoses are made each month at a rate of discovery that has been stable since 1988.

We ought to be thankful that Victoria has a relatively stable incidence of HIV infection, because in many other countries the incidence of HIV/AIDS is increasing rapidly. Those involved in programs to limit the spread of AIDS should be congratulated because so far the programs have proved effective.

The article also states that the true incidence in the community is unknown because HIV testing is voluntary. In Victoria 81 per cent of HIV positive people are gay men, 3.4 per cent injecting drug users and 3 per cent heterosexuals. As well, there are 81 women who are HIV positive.

We are aware that the main ways of spreading AIDS are through unprotected anal intercourse among homosexual men and exposure to HIV-infected blood through the sharing of needles by drug users. As well, HIV and AIDS can also be transmitted through contact with contaminated blood and other body fluids. However, statistics from Africa, Latin America and Asia show an increasing incidence of the transmission of AIDS through heterosexual contact. As I have emphasised, those who are most at risk are health care workers, emergency service workers and custodial officers.

Page 2 of a booklet entitled *Protection in Practice*, published by the Ministerial advisory committee on HIV and AIDS states:

> Risk of acquiring HIV in the workplace is low, even when exposure to infected blood has occurred.
>
> Inoculation of infected blood by a penetrating injury such as from needles, presents the highest risk.
>
> Direct exposure of non-intact skin, or mucous membrane to infected blood may also result in acquisition of infection. Other body fluids for which precautions are recommended are semen, vaginal secretions, cerebro-spinal, amniotic, pleural, synovial, peritoneal and pericardial fluids. Transmission of HIV is unlikely in other body fluids unless containing visible blood.

Although the risk is low, there have been many cases where the risk has become reality. And even though the risk is low, the cost can be high!

I shall also quote from an article in the *Weekend Australian* of 17 and 18 August this year. The article, entitled "Health workers at risk" states:

> Many traditional hospital procedures must be changed to protect health care workers from contracting infections such as the AIDS virus.
>
> A key speaker at next week's Australasian Infection Control Association conference in Adelaide, Ms Marguerite Jackson, said patients had a very small risk of being infected by their health care provider.
>
> "The risks of infection are much greater to the health care worker", she said.
>
> "Traditionally, in health care we have always put the patient first. We still put the patient first but now with HIV there is a lethal risk to the worker and we must realise this.
>
> "We have to develop new devices, new techniques and new attitudes towards doing things in hospitals".
>
> Ms Jackson, an epidemiologist and assistant clinical professor of community and family medicine at the University of California, said studies had shown the greatest risk to health care workers was from puncture injuries ...
>
> The chief government adviser on AIDS, Professor Ian Gust, said infection control to protect both patients and health workers was a big issue in hospitals.
>
> "There is a raft of blood-borne viral infections — hepatitis B, hepatitis C and there is the human T-cell leukaemia virus — so the measures we put in place to protect ourselves from HIV protect us from all other blood-borne viral infections", he said.

The next paragraph of the article is important, because it hits the nail on the head. The article goes on to say that HIV and AIDS are not like mumps and that if you get them you die.

There is a significant risk for health care workers. An article in the *Herald-Sun* dated 22 March 1991 under the heading "Nurses act to ward off AIDS" states:

> Panic-stricken nurses are taking the anti-AIDS drug AZT after being exposed to the deadly virus through needle jab injuries, a health conference in Melbourne was told yesterday.
>
> An infection control consultant for Fairfield Hospital, Ms Barbara Pollet, told the HIV/AIDS National Nurses Conference that half the nurses who had been injured by needles took AZT to ward off the disease.
>
> She said that out of 129 needle jab injuries at Fairfield Hospital between 1985 and 1990, 26 nurses were at great risk of contracting HIV and 13 had taken AZT.
>
> She said so far none of the nurses had tested HIV-positive.

Clearly this identifies the risk to nurses of HIV infection due to needlestick injuries and incidents involving HIV-infected patients. Indeed, she makes it clear that many of these nurses are so concerned about this that they are taking AZT as a precaution. That decision is not taken lightly. AZT is not a drug one takes lightly because it has side effects. The nurses who are taking it are doing so because they feel there is a real risk. The article goes on to say:

> The number of high-risk injuries fell from seven in 1989 to five in 1990.
>
> Miss Pollet told the conference that measures to prevent occupational exposure to HIV were "sharps" disposal containers at patients' bedsides, mandatory education on the safe use of needles and other sharp objects, and provision of protective clothing.
>
> It is believed there are two nurses in Australia who have become HIV-infected through occupational injuries.
>
> Miss Pollet said there was no reliable national database with the statistics.

Not only are nurses at risk but emergency workers such as ambulance and police officers. An article in the *Herald-Sun* of 22 December 1990 states:

> Police officers are being put through months of hell after being attacked by prisoners claiming to carry the AIDS virus.
>
> A police doctor said yesterday police were the victims of such attacks about three times a month, bringing a major new risk to their jobs.
>
> The head of the Office of Forensic Medicine, Dr David Wells, said officers ... often had to go through months

> of anxiety waiting to find out if they had contracted AIDS ...
>
> "Ten to fifteen years ago, it wasn't a concern for police.
>
> "Now, it is a day-to-day hazard".

Unfortunately it certainly is a day-to-day hazard for our emergency workers, our police officers, our prison officers and our health care workers.

Such people are often put through months of hell while they wait for the results of testing. The comforting thing about the legislation is that it will help to alleviate some of that anxiety by giving the Chief General Manager of Health Department Victoria the power to order testing of the other party in an incident for HIV/AIDS or hepatitis, so people will know whether the person they were dealing with was truly infected. I am not talking about hypothetical situations but actual cases where people have become infected in such incidents.

An article in the *Sunday Herald* of 18 November 1990 states:

> Earlier this year, a prison officer in New South Wales contracted HIV after being jabbed by an infected syringe, and late in 1989 a health worker in South Australia tested positive after a needle injury at work.

In this article we have identification of the contraction of the disease by people who are in these risky situations. This is not a hypothetical situation; it is a real situation which these people are facing in their daily lives and in their duty. It is a situation that we as members of Parliament and legislators must act upon in order to protect them and to provide legislation to test people if necessary.

While the medical profession and emergency workers have to change how they do things because of the risk of AIDS and hepatitis, hospitals, ambulance workers and people dealing with prisoners will find that even if they take precautions incidents can and do occur. This legislation is important because it will allow the sort of action that is necessary to test the people who are at risk so that those on the receiving end of such injuries can have some reassurance.

In the health area it is argued that there ought to be some provision for routine testing prior to surgery. As a veterinary surgeon I can say that if there was a disease which affected the immune system and the ability to respond after surgery and which involved animals I was to work with it would be seen as negligent if I did not test the animals prior to surgery so I could provide appropriate treatment afterwards. It is incumbent on doctors and surgeons to test patients prior to operating to see if they can take appropriate action in the after-surgery treatment. That is not dealt with in the Bill.

While the Bill refers to the risk and the actuality of infection of health care workers, prison officers and others in the custodial and care category, the converse can also apply. I refer to the celebrated case of Kimberly Bergalis in the United States of America as reported in an article in the *Herald-Sun* of 26 June 1991. Kimberly Bergalis has AIDS and claims never to have had sex or dealt with intravenous drugs. However, her dentist did and he continued to practise well after he knew he had the deadly disease. We all know the case of this young lady who, from all the evidence available, contracted AIDS from her dentist. The article states:

> The most feared letter sent out by US hospitals is perhaps this letter which reads, "Dear patient, we wish to inform you that your physician has tested positive for the HIV virus that causes AIDS. We urge you to call".
>
> In the past week, two hospitals — one in Minneapolis and the other on Harrisburg, Pennsylvania — have sent out such letters.

While the risk of patients or people in care contracting AIDS from the care-giver or health care worker is low, in the United States such incidents have occurred. I think it is important that the legislation has the reciprocal provision in it so that if a patient is involved in an incident with a health care worker and there is a possibility of the transmission of an infectious disease such as HIV or AIDS, that patient can call on the Chief General Manager of the health department to take action under the proposed legislation and seek testing of that health care worker.

Indeed, it has been suggested in America, and there has been some suggestion of it in Australia, that health workers should be tested annually for HIV/AIDS. That is a controversial issue.

The risk of health workers catching AIDS from patients is relatively low. The highest risk activities are homosexual anal sex, unprotected anal sex and sharing needles. In that context, the risk to health workers is low, but the cost is high. As Professor

Gust said, AIDS is not like the mumps; if you get AIDS you die.

There is no cure for AIDS, but early diagnosis and treatment can help. The *Australian* of 21 July quotes world-renowned AIDS expert Professor Ron Penny:

> "In this initial stage the virus may be more susceptible to anti-viral therapy", Professor Penny said.
>
> "The data indicates there may be a short period after infection where we might be able to influence the course of the disease."

It is clear that early treatment may be of some help to people who become infected. The Health Department Victoria booklet *Protection in Practice* states:

> Should the exposed person opt for Zidovudin (AZT), therapy needs to commence with 72 hours post-exposure. There is evidence that AZT may be more effective when started within hours after exposure. It is recommended that therapy be provided at no cost to the exposed person.

Health workers are at risk, and the evidence shows the desirability of early diagnosis and treatment. If one considers those facts together it is easy to see that appropriate legislation must be in place to facilitate early diagnosis. It is fair and reasonable that victims of particular instances be allowed to know the disease status of the patient or prisoner in question.

It is untenable that a patient or prisoner concerned in an incident that could pass on the AIDS virus can refuse to be tested. For example, a nurse involved in a needlestick injury would want to know whether the patient involved was infected with AIDS. Currently the doctors and hospital managers may speak to the patient and encourage him to be tested to reassure the nurse, but the patient may refuse that request.

Finally after a number of years of pressure from the opposition the government has introduced legislation to stop that situation arising. Section 120A of proposed division 2A provides that if the Chief General Manager of Health Department Victoria reasonably believes an incident has occurred and if the persons who could have transmitted the disease have been counselled by a medical practitioner, the chief general manager can make an order for those persons to be tested if they refuse to be tested. That is what it is all about.

If a person is tested for AIDS and the test is negative, the victim will be reassured. Of course, a single negative test of a patient or prisoner is not an absolute assurance that the disease is not present. During the early stages of any disease the antibodies do not appear and a test may be negative when a person is actually positive. However, if the patient or prisoner tests negative, the victim will be given a fair degree of reassurance that he or she is not likely to be infected.

Instead of having to wait three to six months for a testing regime to prove that they are not infected, victims will be given some reassurance at an early stage. That is also important because early diagnosis helps in the treatment of the virus. A single test is not 100 per cent accurate, but if a person tests negative he will be reasonably confident that he is not infected with AIDS and will be given some peace of mind. The person can then have further tests as required to make absolutely certain of the diagnosis. That is the important part of section 120A.

Section 120C protects other people involved in the testing process and provides that no action can be taken against a pathologist or medical practitioner who conducts an authorised test. There must be no delay in reporting the test to the Chief General Manager of Health Department Victoria, and upon receiving the results the chief general manager must give notice of them without delay to the appropriate person.

Section 120D provides a safeguard in that no names and identities are given. The results indicate that the person involved in an incident has tested positive or negative to the virus but no names are given. I compliment the people who wrote that section simply because it provides safeguards.

The world has a long way to go in dealing with the emerging HIV/AIDS problem. As I said before, the figures suggest that 9 million people throughout the world are currently infected with HIV/AIDS and 1 in 250 adults may be affected. The disease is spilling over to countries in Latin America, South America, South East Asia and Africa. AIDS has traditionally been a disease of the homosexual population. Australia is fortunate that the disease is still largely contained within the populations of homosexuals and intravenous-drug users. Every effort must be made to ensure that the disease is contained within those populations and does not spill over into the heterosexual population.

Further research needs to be done on the disease. An article in the *Age* of 9 October indicated that AIDS may not be as simple a disease as first thought. I shall briefly quote from the article:

> Two remarkable experiments in North America have shown that AIDS is not an infectious disease, at least in a classical sense, but a form of auto-immune disease.
>
> HIV it seems is merely the trigger for AIDS. All the bullets are fired by the immune system against itself. The new evidence is that the virus does not kill cells directly, nor are any of its component proteins toxic to human tissue.

The research must be further confirmed, but it appears that the AIDS virus triggers an auto-immune response within the body that causes full-blown AIDS.

The article I quoted may explain the long period between infection with the virus and the development of full-blown AIDS, as well as the variation that appears to exist in the period of latency of different people. It also has some implications for the difficulties that are experienced in developing a protective vaccine and it has implications for treatment of the virus.

I refer to my earlier comments about the need for early diagnosis and treatment in order that it be effective. That comes to the very heart of the Bill which allows the Chief General Manager of Health Department Victoria to order people to be tested. A new and better opportunity is provided for early diagnosis and hence early treatment for people involved in incidents that may have resulted in infectious diseases such as HIV/AIDS being spread to them.

I remind the House that Mrs Tehan, an honourable member for Central Highlands Province in the other place and the shadow Minister for Health, called for exactly this type of legislation on 24 October 1989. Virtually two years later the government has introduced the Health (Infectious Diseases) Bill into this place. I wish the Bill a speedy passage and proclamation because the custodial workers, the health care workers and the police and emergency workers deserve the sort of protection the Bill will give them.

Mr STEGGALL (Swan Hill) — In joining in the debate tonight on the Health (Infectious Diseases) Bill I congratulate the honourable member for Portland. He has certainly given honourable members a solid expose of the issues surrounding AIDS and the problems it is causing in our community. I shall return to that matter.

The Bill does three things, as the honourable member for Portland mentioned. It allows for the testing of a person who may have transmitted HIV to a health care worker, a custodial officer, or an emergency service worker. It also enables the Chief General Manager of Health Department Victoria to delegate his powers and functions to an office as well as an officer within the department. It precludes the courts from awarding costs against a municipal council under the nuisance provisions of the Health Act without allowing the council the right to be heard.

The third matter is important. Recently a council was ordered to pay costs in a case without being heard by the court. The Bill will ensure that any council in a similar situation in the future will have the right to be heard.

The most important aspect of the Bill relates to the HIV or AIDS virus and some of the hepatitis viruses. The Bill opens up for discussion in Parliament something that has not been debated over the past few years. The introduction of the Bill shows that our society, like many others around the world, does not know how to handle a disease that is spreading.

As the honourable member for Portland said, some 9 million people are now designated as carriers of the HIV virus. It seems that in the early days of the disease it was restricted to the homosexual community but now it certainly is not. It has spread through the heterosexual community and to those who are drug users.

The spread of the virus opens up a whole range of questions and presents many new problems for our society. The Bill approaches the needs of the health care workers, emergency care workers and custodial officers in an attempt to come to grips with the spread of the virus. The Bill will not provide solutions to the problems or answers for how society should handle AIDS.

The Bill gives three categories of people who come into contact with people who may have transmitted the virus to them the right to seek to have tests to determine whether they have contracted the AIDS virus. Those people will still wonder whether the results of the tests are 100 per cent accurate in the first instance; the tests will not always be conclusive.

Our society does not have a handle on the disease. As has been said, no cure has yet been found. As a result, a high level of fear exists in our community. That fear is being demonstrated clearly. In Victoria the fear of the AIDS virus is resulting in the mounting of test cases by various sectors of our society. Those test cases involve the State Treasury. On 1 September, Mark Forbes wrote in an article in the *Age*:

> The State government is facing a bill of more than $100 million from law suits by 120 patients who contracted the HIV virus through blood transfusions.
>
> The government is ignoring the advice of its health department that it should settle the compensation claims for a fraction of the projected legal cost.
>
> Hospitals, the Red Cross and health authorities are also advocating a settlement, pointing to the trauma caused by forcing patients — some of whom have developed full-blown AIDS — to sue the hospitals treating them.
>
> They are not admitting fault or guilt, but want a more humane solution.

The virus in our midst is causing problems with compensation claims. People are claiming compensation because they have contracted AIDS from blood donors and the fear associated with the AIDS virus is aggravating the problems.

I refer to an article that appeared in the *Australian* newspaper. It was written by Ron Hicks, who says:

> National testing of blood bank donors indicates an increasing number of women are contracting the deadly AIDS virus through conventional heterosexual contact.
>
> A survey by the National Centre in HIV Epidemiology and Clinical Research of all blood donations through the nation's ten blood transfusion services seems reassuring on the surface.
>
> Only 46 people have tested positive for the AIDS virus out of 5.3 million blood donations since May 1985.
>
> All infected blood is automatically rejected by the blood banks.
>
> Twenty-six of the HIV positive donors come from NSW, eight from Queensland, seven from Victoria and five from Western Australia.

The numbers of people who have contracted the virus in Australia generally and in Victoria in particular are quite small in comparison with the numbers of people who have contracted the virus in the countries mentioned by the honourable member for Portland; that is, Africa, South America and some areas of Asia. However, the figures here are growing.

The figures are confusing. Those that I have are a little different from the ones presented by the honourable member for Portland. An article in the Sunday *Herald-Sun* of 21 July 1991 indicates that 502 cases of AIDS have been identified in Victoria, with the deaths so far numbering 274. The breakdown of the number of cases is 490 males and 12 females; male deaths number 269 and female deaths total 5.

Although the people who die from the AIDS virus are fewer in number than those who die on our roads each year, a higher level of emotion surrounds the virus because we do not understand it. We do not know where it will lead us and the fear is constantly being written about and discussed in our community.

The AIDS virus is changing the attitude to morals among many people in our society. The next generation will have a different attitude to many moral issues from that of our generation. The AIDS virus is changing practices both in our lifestyles and in our laws. The issue must be faced up to so that we can determine what changes must be made to our laws in order that the problem can be addressed.

The Crimes (Year and a Day Rule) Bill has been introduced as a result of the spread of the AIDS virus. The some 600-year-old law will be changed in an attempt to address the issues that the AIDS virus has brought before our community.

The problem exists also of how to handle the AIDS virus. We do not know how to handle it among, for example, the criminals locked up in our jails. Honourable members must consider how they should handle the threat of AIDS. They will have heard of the threat that people will be jabbed with AIDS-infected syringes.

Honourable members must consider also the problems associated with prostitutes who have the AIDS virus and refuse to cease plying their trade. Honourable members must consider how such situations will be handled.

Society will work through the problems and try to come to grips with them. However, as I said, the answers to the problems are not yet apparent.

Currently some twenty members of the Victoria Police Force have received compensation of up to $20 000 because they feared they had AIDS, although none tested positive for the virus.

Mark Forbes in the *Age* of 15 September 1991 reports:

> The registrar of the Crimes Compensation Tribunal, Mr Terence Kearney, estimated that between 5 per cent and 10 per cent of the 375 successful police claims for compensation in the past twelve months were for pain and suffering caused by fear of the disease.
>
> Most of the claims followed police being jabbed with syringes or bitten during struggles with drug users.
>
> The general manager of the Victorian AIDS Councils, Dr Jim Hyde, said the surprisingly high number of police claims illustrated the need for proper AIDS education in the Police Force.

Society will have to be educated and must learn to live with the disease. Much of the disease is unknown and one does not know how to handle many of the questions that are being posed because of the disease.

The Bill is but a small part in the solution to a huge problem: it is a small track to travel in the argument on the AIDS virus and its impact on society. I hope society will not become obsessed with the virus and the fear and trauma that goes with it. I do not believe society should become emotional about the virus. When one looks at other diseases and problems, AIDS is not anywhere near the problem of other diseases, yet it competes emotively for a higher percentage of the research dollar and for attention in the columns of our newspapers. I hope society will see the disease for what it is: an avoidable disease which society can beat through education, understanding and a desire to ensure that it does not spread throughout society. The Bill is designed to come to grips with handling the disease.

People in the health care areas — nurses, doctors and dentists — must be educated properly. As the honourable member for Portland said, in the United States of America there has been only one case — in a country of 250 million people — of a person contracting AIDS from a dentist. That is frightening enough; it is emotional; and it makes a good story; but society must not change because of that.

The emergency care workers — ambulance and police officers — will have to treat the problems associated with AIDS in the best way they can. They will have to be aware of the problem and protect themselves when dealing with people who may be infected with the virus. It is nothing new to those people. They have to look after themselves against people who are threatening them in other ways. The virus is an added challenge they must handle.

Welfare workers and custodial officers should not become swamped with emotion, they must work through it and come to a proper understanding of protective methods in the handling of the disease.

The Bill does three things: firstly, it gives the Chief General Manager of Health Department Victoria the right to prescribe in certain circumstances for the protection of people in the three areas of risk — health care, emergency services or custodial officers — testing for HIV viruses. On that basis, the Bill is not a world-beating piece of legislation but is a necessary piece of legislation.

Secondly, the Bill enables the chief general manager to delegate his or her powers to a function or an office as well as to an officer. Thirdly, it corrects an anomaly so that a council will have the right to be heard in a case in which it is involved.

I support the Bill and look forward to the ensuing debate. It is high time Parliament debated the question of AIDS, although the debate is a small one regarding a much larger issue.

I hope Parliament will look at the issues and see them not with great fear but with understanding; in this case the issue is the virus and how it is handled and accepted into society so that society is not filled with fear and emotion far beyond that which good education, a proper approach to life, reasonable protection for everybody, and a responsibility of each person to be aware that the virus is an avoidable disease, can provide.

It is a dangerous disease but it is not something we should become hung up about. We need to understand and be able to cope with AIDS and see it for what it is.

Mr LEIGHTON (Preston) — I welcome the opportunity of joining the debate and speaking in support of the Bill. I also welcome the support given by the opposition in the other place and in this place by the honourable members for Portland and Swan

Hill. In particular I found the contribution of the honourable member for Portland to be positive.

It is important that in Australia members of Parliament of all political persuasions at the State and Federal levels have largely taken a bipartisan view. It is one of the success stories in Australia.

Unfortunately, the honourable member for Portland could not help but point out that the opposition had been on record for several years in calling for the introduction of a Bill such as this. The opposition has been on record in calling for a number of things. Earlier this year the opposition said it intended to block virtually every piece of legislation before Parliament. Those who had a particular interest in drafting this Bill and introducing it were concerned that it could fall victim to that decision.

I am pleased the Bill has received bipartisan support. When framing the Bill it was considered important for several reasons that it had the strong support of the health community; it has received that support.

It was important to go through a consultative process on the Bill so that its provisions would not become controversial after its enactment; it has some civil liberty implications. With this and several other Bills that have come before Parliament there tends to be a trade-off of civil liberties in considering the community protection, which then becomes the subject of scrutiny. Parliament has had to consider several difficult Bills. It was important to carefully consider whether it was possible to achieve a balance or whether a trade-off had to be made.

Another important aspect to be remembered about the response of society to the spread of AIDS is that the Bill could be considered to be reactive; it deals with the situation after an individual may have contracted the virus. Thus far the single largest reason for the success in Australia of calls for the prevention of the spread of AIDS has been education. That is why Australia is in such a strong position compared with other Western countries such as the United States of America.

Education in Australia has ensured that, in particular, the homosexual community has been responsible about its activities. Indications are that the spread of the disease has slowed; few new cases have been reported. In other cases, such as those of intravenous drug users, initiatives such as the needle exchange program have been successful.

As well as dealing with the central issue of testing for AIDS the Bill deals with two other minor matters. Firstly, it authorises the chief general manager to delegate his powers to particular offices rather than having to name the individual officers.

Mr Coleman interjected.

Mr LEIGHTON — Sometimes it could be. Secondly, it also amends the Health Act to prevent the Magistrates Court awarding costs against municipalities under the nuisance provisions without first giving municipalities the opportunity of being heard. Both amendments are minor and sensible.

I comment principally on clause 8 which makes it possible for the chief general manager to order the compulsory testing for infectious diseases, such as AIDS, hepatitis or other specified diseases where a particular class of person may have received the virus or disease through accidental or deliberate transmission from another person in the course of carrying out his or her duties.

It is important that in this debate we discuss the contents of clause 8 up front because, as I said in my opening remarks, we must recognise some sort of trade-off of civil liberties. However, I hope it will be rarely necessary to order compulsory testing. I say that for a number of reasons. Firstly, we have had experience with the spread of AIDS and our knowledge about the HIV virus has increased. Hospitals and health professionals have taken much more care in the performance of their duties and have been particularly careful to avoid needlestick injuries. These days hospitals have procedures where needles are automatically disposed of rather than caps being replaced; if not people could be at risk of receiving needlestick injuries.

Hospitals now have better safety procedures for the disposal of used needles and technological advances such as self-retracting needles are increasingly being made. I hope that initiative will become commonplace in the health system. The experience of health professionals and the greater care now taken is one reason why we need not resort too often to the clause 8 provisions.

Another reason is obvious. Where a patient or person may have caused the transmission of such a disease he or she should readily agree to such testing being conducted; that would be in the interests of that person as much as in the interests of the health

professional or care-giver who may have been infected.

A third factor that reduces the likelihood of having to order compulsory testing is that the Bill provides that where a patient's serum has already been taken — perhaps prior to an operation — and that serum is still available, it can be tested instead of having to order new tests.

Fourthly, the classes of people that may have contracted the disease are restricted to certain groups such as dentists, medical practitioners, other health professionals, ambulance officers, police officers, prison officers and other prescribed care-givers.

It is not a catch-all that makes it available to the entire population. Fifthly, it is restricted to infectious diseases, especially the human immuno-deficiency virus (HIV), hepatitis and other infectious diseases as prescribed by the Bill. Sixthly, before a test can be compulsorily ordered it would also be necessary for the person who may have caught the disease to agree to be tested. It would be in that person's interest to do so.

A final qualification on ordering these tests is that such a test can be ordered only within three months of the possible transmission of the disease. I assume that is based partly on the fact that it can take up to three months after somebody has been infected by the HIV virus for a positive test to appear. After that time that person could well and truly have hepatitis or could be expected to have a positive result for AIDS.

Nevertheless, in some situations one would need to resort to the provisions of clause 8 of the Bill. The Chief General Manager of Health Department Victoria may find it necessary to order compulsory testing and it may be as a result of accidental or deliberate contact with serum or bodily fluid of a patient or another person.

Four such situations can be identified: firstly, where a nurse may have been pricked by a needle — a so-called needlestick injury — as a result of administering an injection to a patient; secondly, an ambulance officer attending a road smash victim could have blood sprayed over him; thirdly, a police officer could be attacked by a person wielding a syringe and receive a jab; fourthly, a prison officer may be deliberately attacked by an inmate, stabbed by a needle, spat on or bitten.

I shall comment on two of the examples. Unfortunately the first is a real example of a prison officer being jabbed by a needle and as a result has tested positive to AIDS. The second example is of a nurse receiving a needlestick injury. I have had personal experience of that but fortunately it was when I was practising in the 1970s before Australia had its first recorded case of AIDS and before anybody was even aware of the existence of the virus. I also witnessed several colleagues suffering needlestick injuries. Despite the absence of AIDS at that time it was nevertheless a traumatic experience. At that time one was frightened of contracting hepatitis, but at least one could hope for a cure.

These days the risk of a health professional suffering a needlestick injury is more traumatic because of the possible consequence of contracting AIDS, which, as was pointed out by the honourable member for Portland, one does not get over in the way one gets over the mumps.

If a member of one of these groups of people such as health professionals, prison officers or police officers has been infected, treatment should be commenced immediately whether by a prophylactic, as with the administration of Azidothymidine (AZT) for AIDS, or the administration of vaccine for hepatitis. However, before treatment is commenced one would need to be confident that there had been contact between the health professional and the patient or other person that could have led to that transmission. Secondly, one would want to know whether that patient had the disease.

The reason is that some drugs are toxic and have nasty side effects. The hepatitis vaccine is not a pleasant injection. AZT can be toxic and it can lead to dramatic side effects so if it were given it would need to be with some degree of confidence that the person could have contracted an infectious disease.

There are good reasons for commencing treatment before that person tests positive. In the case of hepatitis the vaccine could prevent that person contracting the disease. In the case of AIDS our knowledge so far is that a drug such as AZT is not a cure. However, there is evidence to suggest that it will delay the person experiencing full-blown AIDS and will delay the progress of the illness.

In considering clause 8 it is important to look at the circumstances even though the situation may arise only rarely. The Chief General Manager of Health Department Victoria has the power to order the compulsory carrying out such tests. He currently has

power under section 121 of the Health Act 1958 to compulsorily order testing for AIDS but that section does not really help in the circumstances covered by the Bill because that section deals with situations before they arise. It does not cover a person receiving a needlestick injury or being attacked by a prisoner. Rather it anticipates somebody might be carrying the infection and putting other members of the community at risk.

Section 121 also requires the chief general manager before he orders testing to reasonably believe, firstly, that the person has an infectious disease; secondly, that the person is likely to transmit that disease; and, thirdly, that there is a serious risk to public health. That section is based on heading off incidents, whereas clause 8 of the Bill responds to incidents after they have occurred.

I shall refer briefly to several other features of the Bill. The first is that the provisions of the Bill will work in reverse. Just as the health professional or other care-giver may have been infected and require compulsory testing of the source of possible infection, likewise the health professional can also be ordered to undergo compulsory testing. That is a fair trade-off.

Where a person is ordered to carry out tests the Bill contains confidential provisions that prevent the name of the person tested from being revealed and provide for the results of the tests to be shown to that person.

During his second-reading speech the Attorney-General indicated that it is necessary to amend section 85 of the Constitution Act so health professionals, health workers, nurses and others who carry out the testing procedure when ordered to do so by the chief general manager are not running the risk of judicial review or of being sued by the person tested.

I understand the Bill has the support of nearly all health organisations, particularly those representing health professionals and health workers, ranging from the Australian Medical Association to various health unions.

I am confident medical science will find a vaccine to deal with the HIV virus. Throughout the 1980s we have learnt to detect the virus and understand how it works. The honourable member for Portland said the virus turns cells on themselves rather than attacking human cells. No-one actually dies from the virus; they die from associated illnesses, such as cancer or pneumonia because the virus has succeeded in reducing the body's resistance to those diseases.

I am hopeful medical science will discover vaccines in a shorter period than we believe possible. In the meantime it is necessary for the community to carry out a range of responses from the education campaigns that have been waged for a number of years through to the measures contained in the Bill. I am pleased the coalition supports the Bill.

Dr WELLS (Dromana) — The Bill is long overdue and is about personal responsibility and health. I regret it is necessary. However, it is a necessary legislative response to the personal irresponsibility or ignorance of some human beings. It is not the first time this has happened. The Bill covers several infectious diseases. It refers to the human immuno-deficiency virus and has the capacity for dealing with other diseases.

The Bill does two things: it reminds us of the practical need in modern society for a response in a democracy to issues of pressing human need based upon the challenge of important diseases. We will see an increasing need for this type of legislation. In tropical areas of the world, in jungle areas, there are still dangerous infectious diseases, particularly in some species of mammals and birds which we know from some spectacular examples, such as the Marburg virus which, when contracted by human beings, becomes fatal. With the rapid advancement of transport, commerce and societal movements, diseases are spreading around the globe and society increasingly needs to defend the species against these events.

I strongly support the view that there will be a time when it will be necessary, either through ignorance or personal selfishness on the part of human beings, for the State to exercise its power sensibly and reasonably, while acknowledging the civil rights of individuals, to protect the bulk of the community against a source of dangerous infection. There are examples of this occurring with tuberculosis. The authorities invoked compulsory testing for tuberculosis. In the veterinary field — indeed, man is a mammal so far as infectious diseases are concerned — Australia has been involved during the past five to ten years in a major campaign to eradicate tuberculosis and brucellosis from cattle. Both of those diseases may also affect human beings. So there is a double reason for undertaking what has been a thoroughly successful campaign to eradicate those diseases. Tuberculosis and HIV/AIDS are no

different. There is no intrinsic qualitative reason for approaching AIDS in any other way other than that used in the successful campaigns to eradicate tuberculosis by testing and treatment.

Medical science does not yet have a drug that can cure a person from HIV infection, as other speakers have made clear. We have other ways in which we exercise the option of a State requirement to control diseases in human beings and I refer to the vaccination of young children usually, but adults if necessary. The purist may believe that is an attack on the civil rights of the child but, of course, the principle of the protection of the child and the community is well established. No-one in a democracy in his right mind would attempt to override that principle.

My view is that we are late in applying the same principle and approach in the exploitation of knowledge to the control of AIDS. We must control diseases that attack human beings. In the end it is the ultimate responsibility of the legislators to see that is done — the buck stops with us. There can be no excuse for the legislators hiding their heads in the sand. They must get on with the job.

Having said the Bill is important because it provides the basis for future applications as well as covering known diseases I want to turn, as other speakers have done, to HIV/AIDS as a human disease. Although I acknowledge that hepatitis virus infection is far more infectious and can be fatal, it should not be forgotten that AIDS essentially kills human beings and the legislation covers similar diseases.

I digress for a moment to refer to a number of important biological principles. Comment was made earlier about the pathogenesis that HIV/AIDS may follow. I put to the House that although that is important it is not what is driving us. Once HIV/AIDS gets into a susceptible human being, it becomes a cytocidal or cell-destroying disease.

It happens to destroy absolutely crucial cells — in this case, defence cells that protect the body against other diseases. The point has been made that in the end the person dies from something else because in his biologically weakened state he cannot resist what a normal individual mostly would be able to resist because those lymphocytic cells have been destroyed.

I make two points. Firstly, in the beginning that disease, which we have come to know so horrifyingly well, was a syndrome that did not have a cause. When you add to the disease syndrome the knowledge of what is the specific cause — the virus in this case — you then have a specific disease and you have a chance to do all sorts of things to make a better diagnosis, to make a vaccine, to find a drug to do something to stop the disease, to stop the spread of the disease through the Victorian community, and all sorts of things based on the disease, because you know the cause of it.

It is important to recognise with the clinical disease of AIDS that it is a quite distinctive clinical syndrome, and experienced medical people can make a fairly astute diagnostic guess, if you like, a tentative diagnosis of the disease based on the clinical evidence.

But, secondly, it is even more important to note that we now have a specific method of diagnosing the disease, that is, taking blood, separating the serum from the blood and testing that for antibodies. That makes this disease one which is far better to work with from a State control viewpoint. We are not in the dark, not in a guessing situation; we know what we are doing.

The third important point to note about AIDS is that our knowledge has been expanding rapidly over a fairly short period of about the past decade or so. I well remember the predictions that it would not be so important because it would kill only some 10 or 20 per cent of people and that most people who were infected had antibodies and would not die from the disease. Now, every year that we have gone down the track we have shown that to be less and less reliable as a prediction and we are at the point now where, for practical purposes, we can recognise that HIV infection of the human being will, by and large, in one to maybe fifteen years — we have not got quite far enough down the track to know what is the upper limit — or in that sort of time scale, eventually kill the human being. That is very important to note.

It is a very important disease because it is so fatal across the community. Let me not mince my words: there are other important things about this disease. It has been in this country and in the Western World initially, without question, basically a disease of the homosexual human individual, and that means basically of the homosexual male human individual. I speak now as a biomedical scientist. I make no moral judgments. I have no wish to say anything to harm other human beings, but I have a responsibility as a legislator in this place to attempt

to protect the whole of society, and we have to accept that this has been a disease of the male homosexual predominantly, drug addicts secondly, and others to follow, including the most tragic cases of all, the newborn babes that were infected when they really did not know what was happening and basically they died very quickly.

The disease, however, is far more important than being a disease of one class of human beings. It must be made abundantly clear that no matter how accurate or inaccurate the initial estimates of the pattern of spread or the epidemiological pattern of this disease were, we know without question, if we look at the evidence from Africa and Asia and places where they have not had the biological resources to do what we have done in this country to restrict this disease, that that pattern is very widespread indeed. There are also different social patterns with regard, for example, to the sexual act in some communities in Africa from those in the Western World and in Christendom. Thus a very large percentage of the women prostitutes in some cities in Africa and Asia are infected with this virus. So it is not just a homosexual disease; it is a heterosexual disease.

With close contact this pathogen, this disease-causing virus, is highly efficient in causing infection. I talked earlier of the fact that once infection occurs it is also highly efficient in eventually causing the death of its host. So it is a disease that poses the greatest challenge to us once it gets into the human being because we still do not have any way of stopping it.

We live in a time in Australia of false security to some degree. We think we have very few people, men, in our society that have been infected and an exquisitely small number of women that have been infected. But I direct to the attention of the House, to encourage it to take every possible step it can to wipe out this disease as quickly as possible, that across other areas of the world the evidence is absolutely and irrefutably clear that this disease can act as an absolutely major disease of any human society. In fact, in Africa it is beginning to slow the rate of human population increase. It is decimating whole families from childhood to later age. It is a major factor in the economic and commercial future of Africa at this time.

Therefore I make these points because I have a different view — at least a quantitatively different view, I think it is fair to say — from those presented in this House earlier today, and I shall come to it. With any disease or disease syndrome the first great biological scientific need is to be able to diagnose the disease and then to diagnose it in the individual human being. Let us not mince our words: this society is not doing a good enough job if it does not maximise the diagnosis of this disease in every individual who is specifically infected.

Mr Cole — Are you going to test the whole population?

Dr WELLS — I take up the interjection from my learned friend opposite. The biomedical world in Australia has seriously considered testing the whole population. Of course, given that you have people coming in by air every day of the week, it demonstrates the point I made earlier: it would almost certainly be an exercise in frustration. We have calculated the millions of dollars required to do that, and of course the day you finish it your society is still open to attack from the virus coming in from overseas. For those reasons we have given that up as an epidemiological way to control the disease.

This Bill is about dealing with much more selected, more urgent and more important situations where there is a very high risk of individuals being infected if they come in contact with an already infected person. Prior to AIDS a human disease that killed 8 per cent of the population was said by some authorities to be highly fatal. I do not think anyone would deny the expectation that AIDS will kill 90 per cent or more of its hosts, so AIDS is now recognised as being extremely dangerous in the long run. It may be slow but, like the tortoise, it gets there.

It is a very dangerous disease for an individual to contract and that is why those who have been exposed to risk, either from their own action or especially from action that was not their responsibility, may be justified and right to become so very concerned and upset and suffer so greatly while they wonder whether they have been infected by this virus. I emphasise this point because I use it in supporting the point I make in this place tonight. For any individual to be exposed to infectious disease by actions for which he or she is not responsible is a most regrettable situation. Such a person is entitled to whatever protection an efficient Parliament can offer him or her.

I turn now to the diagnosis of disease. It is important that a person who suspects he or she may be infected is able to find out whether this is so. In all my years of biomedical experience, of examining case records and from speaking to people, I have found that people believe it is better to know what the situation

is when discharging their responsibilities. Surely people are entitled to know, and I do not believe a civil libertarian can deny a person who unwittingly is infected the right to know whether that is the case. I do not know of any reason why a person should not be tested to provide that vital information.

We know that early diagnosis and drug treatment will delay the effects of the disease. That is not enough but it is all we have at present, and certainly we should make the opportunity of testing available to those people who risk contracting the disease in the discharge of their duties. We cannot sleep easy if we ignore this situation.

The Bill provides for medical professionals to be tested. I believe they have a major responsibility to be tested. Medical organisations support the Bill and they have done so for years. They support the testing of people who might infect others who are vulnerable. I believe medical people such as surgeons are entitled to that test.

How many members of Parliament have had major surgery? I suggest very few. It does not matter how skilled a medical person may be, when major surgery is undertaken it is not possible to discharge one's work without spreading a lot of blood about and getting blood over oneself. Honourable members know that the disease is spread through the transmission of bodily fluids and in major surgery there is a lot of blood spread around. It would be difficult not to come in contact with the patient's blood. It is abundantly clear that it is necessary to establish more routine testing of people to determine whether they are HIV positive. I predict that this matter will be legislated for in the future and I will certainly support it.

We should examine the responsibilities of the medical professionals. It is rare for one of them to infect another person in the discharge of his or her duties. There appears to be one case in the United States of America and another that involved a dentist. The testing of medical professionals is no compensation for the young woman who was infected and is close to death or has died. Those cases are rare exceptions and there is no reason why there should not be testing of medical personnel for their peace of mind: to know that they provide no risk to their patients.

I do not believe there will be serious demur at the passing of the Bill. If honourable members put themselves and their loved ones in a position of exposure to the disease and ask themselves, "Would you want to know whether the other person had AIDS?", of course one would and one is entitled to know. Honourable members would not want their sons or daughters unnecessarily exposed to this infection. There should be adequate testing for this infection.

The overriding principle that should guide us in dealing with infection with fatal diseases is that no person should knowingly place another at risk. I see no justification for not testing an individual to see whether he or she is infected. We must exert pressure for responsibility as part of the equation for democracy, and Parliament is the place in which society has placed the responsibility for exerting that pressure. I encourage the government to think again. I believe it will be commended if it introduces a Bill that goes further on this matter.

There are a number of disparate points that I shall now make. I make a plea for the maximum research to be done on HIV. Victoria is a comparatively wealthy society, but I do not believe sufficient investment has been made in research. Yesterday I attended the annual general meeting of the Walter and Eliza Hall Institute for Medical Research — which is an institute of international repute. I was greatly encouraged to read in its report about the progress the institute has made. A lot of work has been done with only a small amount of money. We need to work on the HIV disease by using all the available skill we have.

Honourable members will have read the report in the newspaper about a breakthrough in the treatment of influenza by the use of a drug of a new order that attacks viral diseases as opposed to bacterial diseases. That discovery was made on a shoestring. A breakthrough on AIDS could come because of a small amount of funding, and a huge commercial market exists for any discovery we make in this area. Nothing returns greater rewards for investment than biomedical research.

I return now to the subject of homosexuality. I attack the government again, as I have attacked it repeatedly over its support for and the use of taxpayers' money to support this activity. The HIV disease is reason enough not to promote homosexuality in our society. There may be those who are predisposed towards homosexuality but most are not. I understand most who acquire homosexual attitudes do so when they are young and more susceptible to the idea. The government stands convicted for promoting homosexuality,

which in turn promotes AIDS. It should not do so again.

Not much has been said about the legal aspects of HIV and AIDS in this debate. It is a growing field and it is a responsibility of Parliament that the subject be pushed to its limits. I do not suggest that we should pursue this today but we must address the year and a day rule which will be considered shortly. It is not adequate to pass this law unless provision is made for the time in which a person may be diagnosed as suffering and then dying of AIDS, which is often longer than one year. However one can establish, quite clearly, the links between the infection, the virus, the human being, the disease, the syndrome, and death; and that is something we must examine more carefully.

Comment was made earlier about the disease in society, and testing and so forth. In mentioning blood banks in this country I pay tribute to the workers who have made this society so safe from this disease, relatively speaking.

In parts of Africa a person has something like an 11 per cent chance of picking up AIDS from a single blood transfusion. When travelling abroad one must be careful about the source of blood if one needs a blood transfusion.

There will be a need for us to look at the rest of the world and help where we can, because it is always impinging upon us, if for no other reason.

I wonder about the provision in the Bill for an order not being made if more than three months have passed since the happening of the incident. I recognise it is a three-month limit requiring the decision to test following the incident, but I can see no innate reason for the limit. Why is it not 3, 4, 5 or 6 months, for example? I ask the Minister to indicate the government's thinking in introducing that provision.

I also support the confidentiality provisions of the Bill, which are essential in a democracy. In closing, it is a straightforward Bill. It is apparently quite sound in so far as it goes. My case has been to urge upon the government that it take even stronger action in this area, and I encourage it to take that action.

The Bill is absolutely necessary, although I believe we will eventually widen the testing provisions. I ask the question again, as I did in the beginning: why not? Why not test more widely? We gain nothing from hiding our heads in the sand. We deny nobody their civil liberties. We protect and support the civil liberties of the vast bulk of our society and it is in everybody's best interests that we do test.

Parliament is the ultimate custodian of the health of our community and for each and every individual in it, and we cannot escape that responsibility. It is a good Bill but in my view we have not yet done enough. We have the capacity to do much more.

Mr KENNAN (Attorney-General) — I thank honourable members for their enthusiastic and concise support for the Bill.

The SPEAKER — Order! I am of the opinion that the second reading of this Bill is required to be passed by an absolute majority.

As there is not an absolute majority of the House present, I ask the Clerk to ring the bells.

Bells rung.

Required number of members having assembled in Chamber:

Motion agreed to by absolute majority.

Read second time; by leave, proceeded to third reading.

Motion agreed to by absolute majority.

Read third time.

ADJOURNMENT

Mr ROPER (Treasurer) — I move:

That the House do now adjourn.

Police practices in south-west Victoria

Dr NAPTHINE (Portland) — I direct to the attention of the Minister for Police and Emergency Services a matter concerning personnel practices in the Police Force in south-west Victoria, which are adversely affecting public safety and the morale of the police officers and their families. I seek the Minister's action to have his department or the Chief Commissioner of Police investigate the issues that I will raise and act to remedy the problem.

The concerns I raise relate to the management of the Police Force in L District, or Lima District, south-west Victoria. In general the issues relate to an

overzealous effort to save money at the cost of police morale, public safety and concern, and particularly the non-payment of legitimate overtime and personal expenses of police officers. For example, one officer who worked his normal shift from 8 a.m. until 5 p.m. and was scheduled to work the next day from 8 a.m. to 5 p.m. was called back to duty with a telephone call at 1.30 in the morning and reported for duty at 2 a.m.; with no previous mention in the telephone call he was told when he reported at 2 a.m. to guard a fire situation, that instead of being paid overtime his new shift would commence at 2 a.m. and finish at 10 a.m., therefore constituting an 8-hour shift.

This is highly irregular and causes the police great concern. Other officers have been ordered to work overtime by their senior officers only to find that senior management have altered time sheets that have been submitted and have refused to pay the overtime to the officers concerned.

Many of these officers have been reluctant to raise the issues with senior management for fear of reprisals and for fear of their promotional opportunities being affected. Indeed, one issue that has gone on for many months started with a claim for meal expenses when people were asked to work overtime. The meal expense claims were refused by senior management.

A letter from Sergeant Max Wilton, from the Industrial Relations Division of Victoria Police, Melbourne, to the officer in charge of Merino police station states:

> It has become the policy of Lima District cost centre management to reject meal claims submitted by members for payment as per Determination 179, 49(1) on the basis that members cannot be paid both overtime and a meal claim without a reduction in the claimed overtime of a half-hour to partake of such meal.
>
> Interpretation on Policy
>
> This contention by the cost centre management at Lima District is erroneous ...

That decision was made on 5 September 1991 by the Industrial Relations Division, yet the officers are still not being paid their meal allowances by the Lima District cost centre management. The management of Lima District seems to be defying the rulings and determinations of the Industrial Relations Division and management of the Police Force in this State.

It is also threatening public safety in Portland and the rest of the Lima District. Normally three officers are rostered to work at Portland on a minimum shift. If one of the officers is ill or is unable to work, the normal practice in the past has been to call in another officer to work overtime to provide a minimum of three officers. However, under the new management regime overtime is being restricted so no additional officer is called in. Public safety is at risk because, if only two officers are there, particularly if there are people in the cells, one officer cannot leave the police station and the second officer cannot go out on his own, particularly in the divisional van, because that is against Standing Orders. Therefore, there are no patrols in the whole district and the city is left unprotected.

There are many examples of petty administration relating to the non-payment of overtime, the non-payment of meal expenses and the refusal to spend money on the calling in of officers for overtime when required. Urgent action is needed in Lima District so that police morale is protected and so that there is proper payment for meal allowances and overtime according to the rules applying across the State. It is important that the people of Portland and the local district be protected by a full Police Force so that their safety is not placed at risk.

Stawell abattoir

Mr W. D. McGRATH (Lowan) — I raise for the attention of the Minister for Agriculture the Stawell abattoir, which currently is killing sheep, cattle and calves. In the past the abattoir has been putting through 3200 units a day but as a result of demand has increased the number to 4050. I should have thought that would require the employment of a further meat inspector, but the abattoir operator has been told he must employ two additional meat inspectors. And, as the number has reached seven, one of the meat inspectors becomes a supervisor, which has added between $68 000 and $70 000 to the abattoir's overheads.

Mr Gude — A loss of three additional jobs.

Mr W. D. McGRATH — As the Deputy Leader of the Opposition suggests, it leads to a loss of three additional jobs because of the requirement to appoint one additional meat inspector. As a result of the increased number of units being put through, the operator now has to employ seven meat inspectors. It is ridiculous that six meat inspectors cannot handle this job adequately, as it is only the one

chain. It is a lamb, sheep and calf chain and not a cattle chain.

Bearing in mind the Minister's partial responsibility for the Australian Quarantine and Inspection Service, which is a Federal body, I ask the Minister to make representations to his Federal counterpart, the Minister for Primary Industries and Energy, in an attempt to resolve a matter that is imposing additional overheads of between $68 000 and $70 000 a year on this operation. I ask the Minister, on behalf of the Stawell abattoir, to take my complaint to the Federal Minister in order to provide a resolution to what I suggest is a stupid situation. I cannot understand how the increase in the number of units from 3200 to 4050 means that the operator must employ seven meat inspectors instead of five, and that one of them becomes a supervisor. It is ridiculous.

Camperdown abattoir

Mr DOLLIS (Richmond) — I raise with the Minister for Agriculture a matter concerning the meat industry, which is important to both Victoria and Australia. I refer him to the recent events that took place at the Camperdown abattoir.

Honourable members will be aware that the abattoir was closed down on 3 May this year and after that closure I am advised that a $2 shelf company owned by a Mr Farmi, also known as Farmicorp, purchased the works.

The problem is that after the purchase things started going particularly wrong in those meatworks. The meat industry is economically important to Victoria. Mr Farmi, in conjunction with Troubleshooters Available, arranged for cheap labour and scabs to go all over the place trying to undermine the working conditions of legitimate workers — people who had been employed in the industry for a long time and who have ensured that the conditions they work in have been brought about through consultation with employers. A lot of time and money has been spent by management and workers in building up those conditions over the years.

One would have thought that Mr Farmi would go to the union and participate in discussions on how the works should begin to operate. Unfortunately Mr Farmi has never spoken to the union. It is important that the Minister, in conjunction with the Minister for Labour, investigate the activities of Troubleshooters Available because that firm is beginning to bring the whole meat industry into disrepute.

Mr Maughan interjected.

Mr DOLLIS — I believe the industry is very important to the State and not only provides employment but also adds to the economic development of this country. If we want the industry to flourish and to have a good reputation and to export meat from this State we must ensure that the people who run the industry have a reasonable expectation that their investment will result in reasonable conditions under which the meat industry can operate. It is important that all honourable members, especially those on the other side, support the Federal government's investigation into this area. We cannot have a $2 company running meatworks in Victoria. We cannot have fly-by-night operators coming into the industry with one aim in mind: to destroy working conditions and to give the industry a bad name. The industry needs respectable people like the O'Connors, the Heards, Bunge and BCI, just to name a few. These people have put a lot of investment into the industry and we are beginning to reap the rewards. The industry requires stability and strong commitment and it also requires adequate investment. One cannot get such commitments from Troubleshooters Available or from $2 shelf companies. The only thing they do is destroy the industry.

I am informed that the workers at Camperdown meatworks are paid $14 an hour and have only 15 per cent tax taken out by the company, exposing them to big payments at the end of the financial year. I am also advised there is no superannuation scheme, no sick leave, no specific WorkCare coverage, no annual leave and no holiday pay.

I ask that the Minister for Agriculture investigate the operations at Camperdown, especially the reliability and viability of the company involved in running those meatworks. The meat industry is extremely important: many people have invested money in the industry and many people in rural Victoria rely on meatworks for their livelihood. Victoria relies on meatworks for its export component. You cannot have disreputable people going in with a $2 company.

The SPEAKER — Order! The honourable member's time has expired.

Mordialloc-Cheltenham Community Hospital

Mr LEIGH (Malvern) — I draw to the attention of the Attorney-General, the representative in this House of the Minister for Health, a freedom of information request I submitted on 26 July 1991 concerning the possible amalgamation or rationalisation of the Mordialloc-Cheltenham Community Hospital.

I received a reply on 22 October, 88 days after I lodged my request. I have no problem with the FoI officer concerned, Mr David Burke; I have dealt with him before and I believe him to be an honourable man. However, at various stages of my quest for documentation Mr Burke told me that information was coming or that the region was holding him up. It is the same region and deputy director — Helen O'Cane — I mentioned in the Chamber last week.

I gained the impression from speaking with Mr Burke that documentation would be provided to me. On 22 October I received a response advising me that of the 70 documents relevant to my request 63 originated at either the Mordialloc-Cheltenham Community Hospital or the Sandringham and District Memorial Hospital. I was advised that the remaining seven documents consisted of notes of two meetings held between the two hospitals and Health Department Victoria staff on 12 and 17 July 1991.

I was also advised that the matters discussed at those meetings were still under consideration and that the documents were therefore regarded as internal working documents and exempt from release pursuant to section 30(1) of the Freedom of Information Act. Under the Freedom of Information Act agencies are supposed to have 45 days in which to respond. I granted a short extension but not an extension to 88 days.

The Minister for Health and some of her friends in the department are covering up the internal documents concerning what is happening at the Mordialloc-Cheltenham Community Hospital. Why are they doing that? The Minister is quoted in the *Mordialloc-Chelsea News* of 22 October 1991 as saying she believes midwifery services at the Mordialloc-Cheltenham Community Hospital should continue unless the board of the hospital presents strong reasons for change. The strong reason for change will be that Health Department Victoria will not provide the hospital with the money it requires to operate a midwifery service. Over a period of two or three weeks 10 000 signatures were obtained and 8000 letters were sent all over the metropolitan area and the southern suburbs by the Mordialloc Midwifery Action Group. This is not a minor issue. The government knows that the issue is causing it damage in the southern suburbs.

The Minister for Health, who lives in Mentone, and some of her Ministerial clones, are covering up and preventing that information from becoming available to the public. If that is not true I ask the Minister to refute that suggestion and provide me with the documentation.

I suspect that if the documentation were released it would show that the only reason the government is now backing away from the proposal is that it realises the community's outrage at the proposed changes to a successful hospital and is frightened.

When the Freedom of Information Act can be breached so blatantly one wonders whether it is not freedom from information rather than freedom of information for members of Parliament. The government has consistently breached the Act in relation to my freedom of information requests and has not made documents available. As we saw earlier today in relation to the Local Government (Rating) Bill the government is covering up what is going on. I suspect that at the moment the documents are probably headed for the shredder before I can get them.

If the government has any guts it will come forward and make the information available to the community. Unfortunately the government is paralysed and lacks the guts to come to the right conclusion for the right reasons: to support the continuation of the hospital. The Minister for Agriculture, who is at the table — —

The SPEAKER — Order! The honourable member should address the Chair directly.

Mr LEIGH — The Minister for Agriculture — —

The SPEAKER — Order! The honourable member's time has expired.

Retail tenancy at Altona Gate shopping centre

Mr THOMSON (Pascoe Vale) — I draw to the attention of the Minister for Small Business information provided to me by Mr David Cook for

investigation by him and referral to officers of his department conducting a review into retail tenancy legislation.

Mr Cook has advised me that around September 1987 he purchased a florist business at Altona Gate shopping centre. He paid $30 000 for what was then a substantial and thriving business. At that time the owner of the centre was the Gandel Group Pty Ltd. Before proceeding with the purchase Mr Cook thoroughly investigated the business. He had detailed discussions with the Gandel group management and sought and obtained certain assurances.

For example, he was promised that he would be able to trade on Mothers Day and all Sundays; that the shop he ultimately moved into would be half as big again as his existing shop; that the rent would not increase by more than 20 per cent per annum; that at no stage during the renovations would he be required to close the shop; and, most importantly, that he would be the only florist in the centre and the only shop allowed to sell artificial flowers.

Initially trading was very successful. During the period to March 1988 he took $43 000 in the Valentine's Day week. In March of 1988 renovations commenced. Mr Cook came to work one morning to find that his store had been flooded out by a leak in stormwater pipes, causing $10 000 damage to his shop. The Gandel group refused to compensate him for that damage. He was then asked to move. No lock-up shop or security was provided, despite his constant requests, and he was robbed. He lost $6000 in stock and the Gandel group again refused to compensate him. He was unable to insure the business because he could not provide security.

Mr Cook was then told that he had to close down for three months. He was given no alternative and the three-month period just about ruined his business. Again he received no compensation. When the new shop was being established he was required to spend $60 000 to fit it out. He was forced to borrow the money because he had no capital reserves of his own as a result of being out of business for three months.

Although the new lease stated his was to be the only shop in the centre which was to be allowed to sell artificial flowers there were eleven other outlets at Altona Gate selling artificial flowers. Finally, Mr Cook was not allowed, as other florists do, to display the flowers outside the front of his store. It is essential that that sort of stock be displayed outside because flower buying is essentially impulse buying.

Mr Cook fell three months behind in his rent. Gandel moved in and locked up his shop. He instructed his solicitors to issue proceedings and he won before the arbitrator. Gandel appealed and the case went before Mr Justice Vincent in the Supreme Court. Mr Cook won again. Gandel appealed to the Full Supreme Court. Mr Cook ran out of money and was forced to settle.

Mr Cook was given a small shop with no lock-up security at double the original rent. Trading conditions remained hopeless because of continuing competition. Finally he and his family were forced into bankruptcy and had to quit the shop in May of this year.

During the dispute with the Gandel group Mr Cook became the spokesman for other tenants who sought publicity for their cause. Only a matter of days after discussing with Mr Tony Gandel the tenants' need for publicity in their fight against the Gandel group, Mr Cook was beaten up by two masked men at the back of his shop, as a result of which his teeth were severely damaged. Although he had more than $1000 in his wallet at that time, no attempt was made to rob him. He told me that he believed the attack was a warning.

The events are unsavoury, to say the least, and I ask the Minister for Small Business to refer the matter I have raised to his Ministry's retail tenancies legislation review committee for investigation.

WorkCare

Mr COOPER (Mornington) — The matter I raise for the attention of the Minister for Labour, which I ask the Minister for Agriculture to refer to him, concerns loopholes in the Accident Compensation Act that allow double dipping.

A company in Hastings, which is in my electorate, retrenched an employee on 22 February this year because he was, in the company's words, a non-performer. The retrenched employee was paid the salary owing to him, as well as four weeks holiday pay and six weeks redundancy pay.

Three days after being retrenched the former employee suffered what he claimed was a heart attack, and obtained a doctor's certificate to that effect. The retrenched employee subsequently

lodged a WorkCare claim, the details of which the company has given to me.

The company is not questioning whether the claim should be paid — that matter is the subject of an appeal — but it has raised with me its concern that, despite receiving four weeks holiday pay and six weeks redundancy pay, the retrenched employee is entitled to receive full WorkCare entitlements, which amounts to double dipping over the ten weeks I have referred to.

It seems that the Act allows employees to double dip in such circumstances, which is why I ask the Minister for Labour to investigate the matter. Because he is not in the House at present, I shall send the Minister a memorandum containing the claim number and other details, which I do not believe should be read into *Hansard* tonight.

I ask the Minister for Agriculture to pass on to the Minister for Labour the matters I have raised, and I look forward to hearing from the Minister at the earliest opportunity.

Labelling of imported food

Mr MAUGHAN (Rodney) — I raise a matter for the attention of the Minister for Health, which I ask the Minister for Agriculture to pass on to her. Twelve months ago I raised the same matter with both the then Minister for Agriculture and Rural Affairs and the Minister for Health, and I have been disappointed by their response.

Australian consumers are being duped by the misleading information contained on the labels of much of the food that is imported into Australia. This country imports some $2.3 billion worth of food each year, much of it labelled as being produced in Australia. For example, peanuts from China that are made into peanut butter in this country can legitimately carry the label "Made in Australia". Sultanas and dates from overseas are allowed to carry a kangaroo logo and be labelled as produce of Australia, which is nothing more than deceptive advertising.

Every tonne of imported food puts an Australian producer and his employees out of work. Unless food products are clearly labelled to show their country of origin, Australian consumers will have no way of knowing where the food comes from. Australian producers and workers are being put out of work because Australian consumers believe they are buying Australian products when they are not. State and Federal governments must act quickly to ensure that imported food is accurately labelled so that consumers know exactly what they are buying.

Dr Napthine interjected.

Mr MAUGHAN — As the honourable member for Portland says by interjection, tomatoes are a case in point. Because tomatoes from Thailand and other countries are processed in this country they are allowed to be labelled as Australian produce.

I ask the Minister for Agriculture to take urgent action to ensure that Australian consumers are no longer duped by the deceptive labelling of imported food. As I said, although I raised the same matter twelve months ago, nothing has been done to alleviate the problem.

Responses

Mr HARROWFIELD (Minister for Small Business) — The honourable member for Pascoe Vale raised a matter concerning the problems one of his constituents faced with premises in the Altona Gate shopping centre. As the honourable member knows, retail tenancy legislation is one of the most important arms of government support for the small business sector.

I advise the honourable member that the Minister responsible for the legislation, the Honourable David White, referred the Retail Tenancies Act to the regulation review section of my department for investigation. The section completed a draft report in July that identified several important issues, one of which, as the honourable member said, is the dispute resolution processes included the Act.

The matter he has raised highlights the need for a detailed examination of how the dispute resolution mechanisms can be further improved. As I said, that issue was canvassed in some detail in the draft report prepared by the regulation review section of my department.

I shall be happy to refer the issues raised in this particular case to the regulation review section as well as to my colleague, the Honourable David White, who is responsible for the Retail Tenancies Act.

Mr BAKER (Minister for Agriculture) — The Deputy Leader of the National Party raised a matter concerning the Stawell abattoir. He has asked me to

raise this matter because it is of particular concern to him.

It relates to the Federal jurisdiction, and I must say that the farming industry should stand up and cheer my Federal counterpart because he went to Federal Cabinet and collected $60 million for the farming community. All those mockers and knockers who said he knew nothing about farms and would not be able to represent them in Federal Cabinet should cheer because he has picked up $60 million for the farming community, which desperately needs it. It shows what a bit of clout at the Federal table can do. He has also picked up the notion of income support — —

The SPEAKER — Order! I suggest the Minister relate his remarks to the matter that has been raised for his attention.

Mr BAKER — Just in passing, despite your ruling, Mr Speaker, the notion of income support is also a big victory. I am sure those honourable members who purport to represent the rural community will support him.

The honourable member for Richmond was most eloquent in bringing to the attention of the House the question of the Camperdown abattoir. Honourable members must understand that Victoria's reputation on expanding markets is very much at stake. This abattoir has had eight owners in ten years.

Mr LEIGH (Malvern) — On a point of order, Mr Speaker, if the Minister is saying something is wrong with what is going on at that meatworks, perhaps he can tell the House why his government is paying for the police to be there to protect them.

The SPEAKER — Order! There is no point of order.

Mr BAKER (Minister for Agriculture) — The abattoir has had eight owners in ten years and in the past that ownership has been characterised by fly-by-night operators. The opposition knows it and it is in real trouble.

The SPEAKER — Order! There may not be many members listening but there are some who would like to hear what the Minister is saying. It has become impossible to hear because of the honourable members for Lowan, Gisborne and Syndal.

Mr BAKER — A most gracious ruling, Mr Speaker! The ownership has been characterised by people who have turned over a quick kill on the run of the season, especially when the season was bad, and then left at the end, leaving all their responsibilities and owing SEC, local government, WorkCare and accident compensation bills, and all the other accoutrements that major, well-capitalised firms pay. That is the truth, and the opposition knows it.

Has any honourable member read the contract? Clause 6 says that you have to pay your own accident insurance. What does that mean? You have to provide your own boots, tools, leathers and whatever else. This means the abattoir will prey on the misfortune of the farming community in the area because poor farmers who are doing it hard and who desperately need the cash will work for what is estimated to be $7 an hour.

I caution the members of the opposition, through you, Mr Speaker, not to play the game of politics. A Federal inquiry is being conducted at the moment and there are suggestions, nay, even allegations, that the people involved in some of these small abattoirs backed people in the meat substitution scandal of the early 1980s, which ruined our reputation in the American market to the point where we can send our meat to that market only as brand X, and which seriously threatened the future of the developing Asian market that we had built up over two or three years. Through you, Mr Speaker, I say the opposition should remember I warned them to go easy. Do not pick up the ball for a quick goal.

Mr LEIGH (Malvern) — On a point of order, Mr Speaker, the Minister seems to be making some sort of Ministerial statement rather than replying to a matter raised in the adjournment debate. He appears to be talking to honourable members rather than through you. Perhaps you could truncate his rambling.

Mr DOLLIS (Richmond) — On the point of order, Mr Speaker, the honourable member for Malvern is a bit thick and cannot understand what the Minister is saying. I ask him to listen carefully. We are not all as thick as he is.

The SPEAKER — Order! On the point of order, the Minister's response is in order, although I remind him it is not a matter of speaking through the Chair but to the Chair.

Mr BAKER (Minister for Agriculture) — I accept the admonition. I say to you, Mr Speaker, that honourable members opposite should be more cautious in the way they handle the matter because there are grave allegations about practices in the meat industry that need to be — —

Mr Reynolds interjected.

Mr BAKER — Your National Party colleague made the allegation, which was naughty of him. However, it was most useful in one sense. It must be understood that industrial relations in the meat industry is categorised by two groups: firstly, the small country slaughterhouse or abattoir which has run a scam for a long time. That group has extremely bad industrial relations. Secondly, there are five or six major meat processors that are well capitalised and have a history of good management. They are major forces in the export market; in fact they comprise some 32 per cent of the market. That group has no industrial relations problems.

As I have said before, the message for people in rural communities is that we can no longer afford fly-by-night operators in the meat industry who are not prepared to meet hygiene and award requirements because they will ruin the opportunities for developing and expanding Asian markets.

The honourable member for Malvern, as much as we can take him seriously, raised a matter for the attention of the Minister for Health in another place, and I shall pass on that matter to her.

The honourable member for Mornington raised a serious matter for the attention of the Minister for Labour and I shall raise it with him.

The honourable member for Rodney also raised a matter for the attention of the Minister for Health and I shall direct her attention to his remarks.

The SPEAKER — Order! Before the Minister for Agriculture resumes his seat I remind him of the matter raised by the honourable member for Portland for the attention of the Minister for Police and Emergency Services.

Mr BAKER — I beg your pardon, Mr Speaker, and I certainly beg the pardon of the honourable member for Portland. I shall certainly direct the matter he raised to the attention of the Minister for Police and Emergency Services.

Mr LEIGH (Malvern) — On a point of order, Mr Speaker, I direct to your attention the fact that there are no Ministers present during the adjournment debate. This matter has been directed to your attention on previous occasions. Today government Ministers spoke about their interest in democracy and the running of Parliament. However, when honourable members have the opportunity of raising important issues, the Ministers are absent from the Chamber.

I am aware that the honourable member for Glen Waverley has raised this matter with you, Sir, on at least one occasion. The absence of Ministers during the adjournment debate is blatantly ridiculous; they are turning the Chamber into a farce. I recommend that you, Sir, speak with the Premier and suggest that she encourage her Ministers to earn their pay and be present in the Chamber when they are supposed to be.

The SPEAKER — Order! The honourable member for Malvern probably did not mean to say that there are no Ministers in the Chamber because that is not correct. However, I share the honourable member's concern about the issue. I have previously raised it with the government and I shall do so again.

Motion agreed to.

House adjourned 11.14 p.m.

Joint Sitting of the Legislative Council and the Legislative Assembly

Tuesday, 29 October 1991

Monash University

Victoria University of Technology

Victorian Institute of Marine Sciences

Honourable members of both Houses assembled at 6.15 p.m.

The CLERK — Before proceeding with the business of this joint sitting it will be necessary to appoint a President of the joint sitting.

Mr ROPER (Treasurer) — I move:

That the Honourable Alan John Hunt, MLC, President of the Legislative Council, be appointed President of this joint sitting.

Mr KENNETT (Leader of the Opposition) — I second the motion.

Motion agreed to.

The PRESIDENT — I thank the meeting for the honour it has conferred on me and direct the attention of honourable members to the notes circulated which include extracts from the Monash University Act 1958, the Victoria University of Technology Act 1990, and the Victorian Institute of Marine Sciences Act 1974. It will be seen that these Acts require rules for the joint sitting to be adopted by honourable members present. The first procedure, therefore, is the adoption of the rules.

Mr ROPER (Treasurer) — I desire to submit the rules of procedure, which are in the hands of honourable members, and accordingly I move:

That these rules be the rules of procedure for the joint sitting.

Mr KENNETT (Leader of the Opposition) — I second the motion.

Motion agreed to.

The PRESIDENT — The rules having been adopted, I am now prepared to receive proposals from honourable members with regard to members to be recommended for appointment to the Monash University council.

Mr ROPER (Treasurer) — I propose:

That the Honourable James Vincent Chester Guest, MLC, the Honourable Peter Ronald Hall, MLC, and Dr Gerard Marshall Vaughan, MP, be recommended for appointment to the Monash University council.

They are willing to be recommended — and, indeed, are very keen — for appointment if chosen.

Mr KENNETT (Leader of the Opposition) — I second the proposal.

The PRESIDENT — Are there any further proposals?

As there are only three members proposed I declare that the Honourable James Vincent Chester Guest, MLC, the Honourable Peter Ronald Hall, MLC, and Dr Gerard Marshall Vaughan, MP, will be recommended for appointment to the Monash University council.

I am now prepared to receive proposals for a member to be recommended for appointment to the Victoria University of Technology council.

Mr ROPER (Treasurer) — I propose:

That the Honourable David Mylor Evans, MLC, be recommended for appointment to the Victoria University of Technology council.

He is willing to be recommended for appointment if chosen.

Mr KENNETT (Leader of the Opposition) — I second the proposal.

The PRESIDENT — Are there any further proposals? There being none, I declare that the Honourable David Mylor Evans, MLC, has been recommended for appointment to the Victoria University of Technology council.

I now ask whether there are any proposals for a member to be recommended for appointment to the Victorian Institute of Marine Sciences council to fill a casual vacancy until 1 March next.

Mr ROPER (Treasurer) — I propose:

That John Francis McGrath, MP, be recommended for appointment to the Victorian Institute of Marine Sciences council.

He is willing to be recommended for appointment if chosen.

Mr KENNETT (Leader of the Opposition) — I second the proposal.

The PRESIDENT — Are there any further proposals?

As only one member has been proposed I declare John Francis McGrath, MP, has been chosen for recommendation for appointment to the Victorian Institute of Marine Sciences council.

I now invite proposals as to members to be recommended for appointment to the Victorian Institute of Marine Sciences to fill periodic vacancies commencing on 1 March 1992.

Mr ROPER (Treasurer) — I propose:

That the Honourable David Ernest Henshaw, MBE, MLC, John Francis McGrath, MP, and Dr Ronald John Herbert Wells, MP, be recommended for appointment to the Victorian Institute of Marine Sciences council.

They are willing to be recommended for appointment if chosen.

Mr KENNETT (Leader of the Opposition) — I second the proposal.

The PRESIDENT — As only three members have been proposed I declare that the Honourable David Ernest Henshaw, MBE, MLC, John Francis McGrath, MP, and Dr Ronald John Herbert Wells, MP, have been chosen to be recommended for appointment to the Victorian Institute of Marine Sciences council.

There being no further business I now declare the joint sitting closed.

Proceedings terminated 6.22 p.m.

Wednesday, 30 October 1991

The SPEAKER (Hon. Ken Coghill) took the chair at 10.34 a.m. and read the prayer.

QUESTIONS WITHOUT NOTICE

PUBLIC TRANSPORT CORPORATION CHIEF EXECUTIVE

Mr KENNETT (Leader of the Opposition) — I refer the Premier to her statement that the Chief Executive of the Public Transport Corporation has been referred to the Public Service Board for advice on disciplinary action and that proper processes have been followed, and I ask — —

Mr Baker interjected.

The SPEAKER — Order! I advise the Minister for Agriculture that he has a particular responsibility in this House, and I ask him to observe that responsibility and to remain silent.

Mr KENNETT — Is the Premier aware that Schedule 1 of the Transport Act states that the Chief Executive of the Public Transport Corporation is not subject to the Public Service Act and therefore not within the jurisdiction of the Public Service Board?

Ms KIRNER (Premier) — It is quite clear that Mr Stoney, the Chief Executive of the Public Transport Corporation, holds a statutory appointment made by the Governor in Council on the recommendation of Cabinet. It was important to have a person of high standing to conduct a review to ascertain whether there were any disciplinary matters — —

Mr Kennett interjected.

Ms KIRNER — Can't you behave!

The SPEAKER — Order! I ask the Leader of the Opposition to observe the normal decorum of the House and to cease disorderly behaviour.

Ms KIRNER — It was important to have a person of high standing to conduct this review and it is appropriate that it should be the acting head of the Public Service Board. The decision cannot be made by the board because it does not have jurisdiction in this matter, and therefore the decision has to be made by the Minister or the Cabinet.

PUBLIC TRANSPORT CORPORATION CONTRACTS

Mr McNAMARA (Leader of the National Party) — I refer the Minister for Transport to his attempts to deny the public the truth over matters surrounding the Gordon payout and I ask: is it a fact that Mr Parkinson, a former official of the Municipal Officers Association (MOA) and the Trades Hall Council of Victoria and a person named in the Nunawading voting scam, was present when the Gordon contract was signed and backdated by Mr Stoney — —

Mr Sandon interjected.

The SPEAKER — Order! I advise the Minister for Police and Emergency Services that he likewise has a responsibility in this place, and I ask him to remain silent.

Mr McNAMARA — Is it a fact that Mr Parkinson, a former official of the MOA and the Trades Hall Council and a person named in the Nunawading voting scam, was present when the Gordon contract was signed and backdated by Mr Stoney and Mr Gordon, and when will the Minister finally accept responsibility for this conspiracy and cover-up?

Mr SPYKER (Minister for Transport) — Mr Speaker, you indicated that the behaviour of the opposition yesterday in asking that type of question without first checking its accuracy reflected badly on this House. We have had a few instances — —

Mr Leigh interjected.

The SPEAKER — Order! I warned the honourable member for Malvern yesterday. He has been warned on many occasions, and I warn him again. I will not warn the honourable member again today; I will act if necessary.

Mr SPYKER — Every day we have a vendetta against another person who does not have the ability to respond.

Mr KENNETT (Leader of the Opposition) — On a point of order, Mr Speaker, the Minister should be directed to answer the question. All that the opposition is correctly trying to do is establish the truth, and it is not too much to expect that this

Minister at this stage now address himself to the questions that are being asked so that Parliament and the people of Victoria can understand the very real issues and his conduct in this conspiracy to defraud the public of their money.

Mr ROPER (Treasurer) — On the point of order, Mr Speaker, it is very clear and was made very clear yesterday, when the opposition attempted to use points of order to disrupt question time and debate issues, that the Minister can answer the question as he sees fit, subject to his not debating the issue. The Minister has virtually only just started and, indeed, had some difficulty in being heard above the caterwauling from the other side, particularly from the honourable member for Malvern. I put it to you, Sir, that there is no point of order because the Minister is answering the question as the customs of this House dictate.

The SPEAKER — Order! At this stage of the Minister's reply I am unable to uphold the point of order, but I advise the Minister that his reply must be relevant and he may not debate the matter.

Mr SPYKER (Minister for Transport) — As I indicated previously, I had no involvement with the particular issues the Leader of the National Party raises. I am very concerned that people who provide a service to government — and we have had Rob Ardollic and Frank Sibberas — should, without any proof, be pilloried in this Parliament. That is an appalling situation.

Here again we have further allegations being made, without any substance, to which the person has no opportunity to respond. The Leader of the National Party is well aware that there is a Public Service Board inquiry, and I believe that is the proper body to do it.

Mr BROWN (Gippsland West) — I direct a further question to the Minister for Transport. I refer the Minister to his statements to the media on 14 September that in his nine years as Minister he had never become involved in the salaries and conditions of employees, and I ask: is it a fact that last night he advised the media that he approved the variation of the Parkinson contract which allowed promotion of Mr Parkinson from SES level 3 to SES level 6, and on which occasion was the Minister telling the truth?

Mr SPYKER (Minister for Transport) — The honourable member would be well aware that Mr Peter Parkinson's contract was negotiated between Mr Parkinson and the Chief Executive of the Public Transport Corporation. As I indicated previously, because concerns were raised by me about the contract, the director-general then indicated that no further contracts can be made without my express approval.

Since yesterday I have also indicated that there will be no more contracts drawn up by the Public Transport Corporation that include the clause 5.5 remuneration package to which the honourable member for Gippsland West refers. That was done on advice I received from the chief executive officer and I authorised that to be done. I received advice from the chief executive officer that Mr Parkinson was offered a job in the private sector worth some $100 000-odd. He has done an outstanding job with the Public Transport Corporation in industrial relations matters and probably saved the PTC and the public a lot of money and inconvenience.

I believe it was right and proper for me to accept the chief executive officer's recommendation.

NATIONAL APPROACH TO ENVIRONMENTAL ISSUES

Dr VAUGHAN (Clayton) — In light of the special Premiers Conference to be held in November, can the Premier inform the House of progress being made towards the development of Victoria's position on a national approach to environmental issues?

Ms KIRNER (Premier) — There are two important things that link the agenda of the special Premiers Conference. The first is the improved coordination of government activities across Australia and the second is the impact that that has on micro-economic reform, social justice and sustainable development. The matter of jobs received the major coverage of the issues discussed at the special Premiers Conference pre-meeting last Sunday, but equally important decisions were made on environmental matters.

I was pleased that the Premiers determined a view about the impact of the special Premiers Conference on environmental matters. All honourable members would agree that it is long past the time when we should have national environmental standards in Australia. The Premiers are interested in achieving a high degree of national uniformity for environmental protection.

For too long businesses have suffered from lack of clarity about national standards of environmental protection and they have been caught on a merry-go-round of State decisions being cancelled or questioned by Federal decisions or vice versa. That is why the States are strong supporters of a new initiative in the environmental area — the creation of a national Environmental Protection Authority (EPA). We do not support the creation of a Commonwealth EPA to join with the State EPAs to proliferate the impact of EPAs in Australia.

We in Victoria have a proud record in environmental protection through the establishment of what are benchmark standards for the whole of Australia. We want to see a national EPA created so that those benchmark standards can apply to the whole of Australia.

It is absolutely crucial in my view that a national EPA is set up, and when it is set up that there is an agreed process for accreditation. We can no longer afford a position where, having gone through an agreed process at the State or indeed the Commonwealth level, the decision can be second-guessed by another government. The Premiers were united in their view that once a process was agreed and accredited it should apply to the determination of particular environmental and economic projects.

These decisions that will be taken to the special Premiers Conference in November are crucial for the number of investment opportunities that we are encouraging in Victoria, two of which are the mineral sands project at Horsham, which is worth $300 million, and the extension of the pulp and paper mill at Maryvale, which is worth some $600 million. That is nearly $1 billion in investment and of course an equivalent improvement in the number of jobs.

If we can have a national EPA across Australia with agreed national environmental standards and accreditation processes, the projects we are encouraging with CRA Ltd and Amcor Ltd will be able to go ahead, and investors will have clarity and the confidence they need.

PUBLIC TRANSPORT CORPORATION CONTRACTS

Mr GUDE (Hawthorn) — I refer the Minister for Transport to his claim in the House yesterday that in future no contracts will be made without Ministerial approval and I ask the Minister whether it is a fact that guidelines issued by the Department of the Premier and Cabinet already exist regarding contracts such as those drawn up by Mr Gordon, and will the Minister advise the House whether he ignored those guidelines in approving Mr Gordon's contract, or did he mislead the House when he said he had not seen the Gordon contract until September this year?

Mr SPYKER (Minister for Transport) — As I indicated to the House yesterday, I have asked my director-general, John McMillan, to do a thorough investigation of all the contracts and come back to me.

PUBLIC TRANSPORT CORPORATION EMPLOYEE

Mr STEGGALL (Swan Hill) — I refer the Minister for Transport to the secondment of Frank Sibberas to a new position and ask the Minister whether it is a fact that the head of personnel in the Public Transport Corporation questioned the salary attached to the position on the basis that no discussion occurred with her division on remuneration and evaluation of the job, and did the Minister mislead the House when he said that Mr Sibberas was assessed appropriately through the normal evaluation process.

Mr SPYKER (Minister for Transport) — I have a long commitment to occupational health and safety issues. The attacks on Frank Sibberas are being made only because he is the son of a prominent union official. If he had not been the son of a prominent union official this issue would not have been raised in Parliament. It is important to members of Parliament, who have families themselves, to recognise that these sorts of attacks do no good to any of us because it always puts additional — —

Mr STEGGALL (Swan Hill) — On a point of order, Mr Speaker, I ask about the relevance of the Minister's answer. He is not addressing the question at all. It is not about the personality of the person involved, it is a question of whether — —

Honourable members interjecting.

The SPEAKER — Order! I again remind the Minister for Police and Emergency Services that he should remain silent.

Mr STEGGALL — The question concerns the appropriateness of the evaluation of the appointment of Mr Sibberas, and whether he was

evaluated. It is not a question of the personality involved.

Mr CRABB (Minister for Tourism) — On the point of order, Mr Speaker, the opposition seems intent on trying to make a farce of the proceedings in question time, and this is evidenced no more so than by the constant raising of spurious points of order that are not points of order at all but are used merely as a means of either imputing something to a Minister or, even worse, to someone who is not even in the House.

Honourable members interjecting.

The SPEAKER — Order! The honourable member for Swan Hill had the protection of the Chair when he raised his point of order. I expect the Minister for Tourism, similarly, to be entitled to silence from both sides of the House, but particularly from the frontbench of the opposition when he is speaking to the point of order.

Mr CRABB — I thank you for your protection, Mr Speaker. The Minister has barely started to answer the question. It is no good the opposition standing up and saying it does not like the answer. We are not supposed to give opposition members answers they like; we are supposed to give them answers that are appropriate. If the nature of the questions that are repeatedly put up is trivial, boring, repetitive and offensive, they will get appropriate answers.

The SPEAKER — Order! The point of order raised by the honourable member for Swan Hill is legitimate, but at this stage of the Minister's reply I am unable to uphold it. However I advise the Minister that in his reply he should address the point of the question asked by the honourable member for Swan Hill.

Mr SPYKER (Minister for Transport) — As I indicated to the House, I have a strong commitment to occupational health and safety. I wanted to make sure that the election of the appropriate occupational health and safety people was carried out, and I make no apologies for that. Addressing the issue of occupational health and safety and trying to reduce our WorkCare payments is an appropriate thing to do, and I will continue to do so.

REPORTED CHILD ABUSE

Mrs RAY (Box Hill) — My question is addressed to the Minister for Community Services. While all this jousting and point scoring is going on — —

Honourable members interjecting.

The SPEAKER — Order! The honourable member for Box Hill, without assistance.

Mrs RAY — While all this jousting and point scoring is going on inside Parliament — —

Honourable members interjecting.

The SPEAKER — Order! Will the honourable member pause until the House comes to order? I include the honourable member for Springvale in my request for all honourable members to remain silent.

Mrs RAY — While this jousting and sparring is going on — —

Mr RICHARDSON (Forest Hill) — On a point of order, Mr Speaker, the honourable member for Box Hill appears to be reading from a document.

Honourable members interjecting.

Mr RICHARDSON — She has repeated the script three times. Will she make the document available to the House?

The SPEAKER — Order! In the observation of the Chair the honourable member is not reading.

Mrs RAY (Box Hill) — I wish to raise with the Minister for Community Services a matter of some importance and seriousness to the people of Victoria. It relates to the reports in recent times of organised child abuse in Victoria. Will the Minister inform the House of action the government is taking to detect and to deal with these reports?

Mrs SETCHES (Minister for Community Services) — I thank the honourable member for her question, for her ongoing interest and for the work she has done inside and outside this House for the past nine years to ensure that children get a better deal in this State.

While we have been listening to the questions coming from the opposite side of the House there has been a distinct opportunity over two question

times and an adjournment debate for them to raise a matter that has been alleged through almost all media since Monday night. The community would like to know what is being done in Victoria about such matters as have been alleged on Channel 10 and in the print media.

Everyone will be concerned at the reports of the alleged child abuse and that such horrific things may have happened in Victoria. We are all trying to investigate and find out exactly what is happening.

Community Services Victoria has a clear statutory responsibility under the Children and Young Persons Act to investigate all reports of child abuse and to take such action as is necessary to ensure that children in Victoria are kept from significant harm. The government has invested heavily to ensure that we do have a top-rate child protection system in this State. It now spends $23 million on pre-court activity, with protective teams across Victoria. A singly based system of child protection will be established right across Victoria by February or March next year.

Child sexual abuse in particular is a very important and worrying matter in the community. With this in mind I have allocated $100 000 each to the centres against sexual assault at the Monash Medical Centre and the Royal Children's Hospital. Negotiations are continuing with both those hospitals as to how that money can be properly targeted for victims of child sexual abuse to make certain they receive counselling support and therapeutic treatment. It is important that the child survivors of incest can be looked after at either of those centres against sexual assault.

A number of measures are in place that will tell us, if we look carefully, whether child abuse is happening in the way it is being alleged in the media. Ninety-nine per cent of child abuse reports received by CSV are being investigated now; that is vastly different from what used to happen in this State. I telephoned around the regional directors yesterday to instigate a watching brief, particularly in those areas that have been highlighted in the media, so that we can home in on any child protection case that may be seen to be a little out of the ordinary in the Family and Children's Services child protection investigation area.

A couple of things can tell us more if the allegations are true. One is the Children at Risk Register, which has up to 3000 names on it and is confidential except to police, CSV protective officers — —

Mr JOHN (Bendigo East) — On a point of order, we have been listening to a lengthy explanation by the Minister of the action she proposes to take or not to take. It is more in the nature of a Ministerial statement, and I am informed that a Ministerial statement on this very subject is to be brought to Parliament later today. Would it not be more appropriate for this information to be given to the House then rather than wasting question time?

Mrs SETCHES (Minister for Community Services) — On the point of order, Mr Speaker, I cannot think of a matter that is more on everyone's mind than these allegations that have been made in the electronic and print media. The opposition spokesperson has not raised the allegations with me in this House, so I am taking the opportunity of giving specific details of the steps being taken concerning the allegations that were made on Monday night and last night on Channel 10.

Mr KENNAN (Attorney-General) — On the point of order, the opposition seems to want to create a world record in the Westminster system. This is the second time in two days it has taken objection to a question on the ground that it provides information and is too substantial. The purpose of question time and the reason the executive extends the privilege to the legislature of answering questions is to provide information on Ministerial portfolios, and it is extraordinary that we have objections from the opposition on the very ground that the Minister is providing information and the complaint is that too much information is being provided.

The opposition is striking at the fundamental purpose of question time, that is, for Ministers to provide information to the opposition. When they get matters of substance, opposition members object to it.

The SPEAKER — Order! Firstly, I make it clear that question time is not a privilege extended by the executive to Parliament; it is established by Parliament and provided for in the Standing Orders. However, I do not uphold the point of order, but I suggest to the Minister that her answer has reached close to the limit of what is an acceptable length of reply and I suggest the Minister should round off her reply. If it is her intention to provide further information in another form she should so indicate.

Mrs SETCHES (Minister for Community Services) — I take note of your ruling and I will round off my answer. It is important to understand

that the negotiations that are continuing with the Royal Children's Hospital and the Monash Medical Centre are close to completion. The children placed at risk because they remain in their homes, sometimes at the direction of the court, need to have special programs prepared for them. I hope I will be able to announce exactly what those programs are in a matter of weeks.

The second point is that I shall be asking the regional directors of CSV to inform me on a fortnightly basis about the reports of their children's services managers through the child protection teams on the matters that were raised by Channel 10 both on Monday night and last night.

The children who are the subject of the reports must have families somewhere, and other people must know what is going on. When things of this nature come to our attention there needs to be a proper way of checking through Community Services Victoria to ensure a proper — —

Honourable members interjecting.

Mrs SETCHES — The last thing I shall say is that CSV will give full cooperation — —

Honourable members interjecting.

Mrs SETCHES — As it always has been, CSV is prepared to cooperate fully with the police in such investigations.

The SPEAKER — Order! The time for questions without notice has expired. I remind honourable members and others with an interest in the operations of question time that this evening a meeting will be held in Parliament House to discuss a paper on the very subject.

PETITIONS

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

Department of Conservation and Environment

To the Honourable the Speaker and members of the Legislative Assembly in Parliament assembled:

The humble petition of the undersigned employees of the Department of Conservation and Environment sheweth:

1. The proposed phase 3 restructure of the department has not been well conceived and its implementation will have unnecessary adverse effects on the people of Victoria, on the environment and on departmental staff.
2. It has been formulated with no meaningful consultation with DCE staff or clients in complete contrast with the government's industrial democracy and social justice principles. Many groups representing the department's clients, ranging from the Victorian Field and Game Association to the Australian Conservation Foundation, have expressed their concern or are directly opposed to restructure.
3. DCE's problems are not necessarily structural but stem from inept management at the highest levels, lack of delegation of decision making, poor communication, and constantly changing or unclear processes and priorities.
4. The restructure will direct resources away from service delivery to a costly and time-consuming movement of staff, offices and equipment. It is of grave concern that no costings have been given. It is inevitable that some programs will be jeopardised, and the whole department thrown into chaos. The systematic dismantling of head office units is supposedly being done to integrate policy with service delivery, but it is more likely to lead to varying standards and priorities being applied across the State.
5. Staff resignations which will escalate on the implementation of the proposed phase 3 restructure will result in large-scale loss to DCE of skilled and specialist expertise which is essential for delivery of government policies on conservation, forestry, land protection, water resource management, fisheries, flora and fauna and the environment. The current director-general and his deputies show no concern at this loss of expertise. Yes, expertise and policy development need to be better integrated with service delivery — but not this way!

Your petitioners therefore pray that the government's proposed phase 3 restructure of the Department of Conservation and Environment be abandoned, and that there be an immediate government review of DCE management involving effective consultation with staff and clients.

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

By Mr Maclellan (970 signatures)

Funding for education

To the Honourable the Speaker and members of the Legislative Assembly in Parliament assembled:

The humble petition of Shepparton district pro-education rally sheweth that we condemn the State government for its massive Budget cuts to education and its failure to honour the industrial agreements reached earlier this year.

Your petitioners therefore pray that the State government honour its agreements and restore the education funding to its pre-Budget level.

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

By Mr Kilgour (380 signatures)

Laid on table.

ECONOMIC AND BUDGET REVIEW COMMITTEE

Estimates Subcommittee

Mr GAVIN (Coburg) presented report of Estimates Subcommittee of Economic and Budget Review Committee on Budget estimates and outcomes, together with appendices and minutes of evidence.

Laid on table.

Ordered that report and appendices be printed.

PAPERS

Laid on table by Clerk:

Emerald Tourist Railway Board — Report for the year 1990-91.

Victorian Tourism Commission — Report for the year 1990-91.

ROYAL BOTANIC GARDENS BILL

Introduction and first reading

Mr CRABB (Minister for Conservation and Environment) introduced a Bill to establish the Royal Botanic Gardens Board and define its functions, to provide for the management of the Royal Botanic Gardens, Melbourne, and the National Herbarium of Victoria, to make consequential amendments to the Drugs, Poisons and Controlled Substances Act 1981 and for other purposes.

Read first time.

MELBOURNE LANDS AND MARKET SITES BILL

Introduction and first reading

Mr CRABB (Minister for Conservation and Environment) introduced a Bill to revoke the reservations of Crown grants of certain lands, to revoke the reservations of certain Crown lands, to authorise the sale of those lands, to amend the Melbourne Market and Park Lands Act 1933 and the Melbourne Market and Park Lands Act 1955 and for other purposes.

Read first time.

TEACHING SERVICE (FURTHER AMENDMENT) BILL

Introduction and first reading

Mr A. J. SHEEHAN (Minister for Finance) — I move:

That I have leave to bring in a Bill to amend the Teaching Service Act 1981 to make further provision for the appointment of principals and deputy and vice-principals and the remuneration of Teaching Service appeals boards and for other purposes.

Mr HAYWARD (Prahran) — I ask whether the Minister would be kind enough to give an outline of the main provision of the Bill because it very much impinges on the question of the adjournment which may be sought tomorrow after the second reading.

Mr A. J. SHEEHAN (*By leave*) — I shall be happy to provide the honourable member with details during the morning.

Motion agreed to.

Read first time.

RESIDENTIAL TENANCIES (FUND) BILL

Introduction and first reading

Mr McCUTCHEON (Minister for Planning and Housing) introduced a Bill to amend the Residential Tenancies Act 1980 to enable payments to be made out of the Residential Tenancies Fund for purposes related to housing, and to amend the Caravan Parks and Movable Dwellings Act 1988 and the Rooming Houses Act 1990 and for other purposes.

Read first time.

GAMING MACHINE CONTROL (CROSS-REFERENCE) BILL

Second reading

Mr KENNAN (Attorney-General) — I move:

That this Bill be now read a second time.

The purpose of this Bill is to correct a cross-reference in section 2(3) of the Gaming Machine Control Act 1991. Since that Act was assented to on 15 October an incorrect cross-reference has been discovered that has serious implications for the implementation of the new legislation.

Section 2(3) provides for section 159 to come into operation on 1 November 1996. The reference to section 159 is wrong — it should read "section 160". Section 160 contains the amended returns provisions which, as was made clear during debate on the previous Bill, are intended to operate from 1 November 1996; section 159 contains the regulation-making powers.

The error arose from the fact that new clauses were inserted into the previous Bill by both the government and the opposition. Unfortunately the reconciliation of numbering of clauses and cross-references conducted between passage and assent did not throw up the error.

The effect of section 2(3), as it stands, is that regulations could not be made before 1996. This would mean that implementation of the new legislation could not proceed before 1996, which was not the intention of this House when it passed the previous Bill.

Clause 3 of the Bill now before this House amends section 2(3) of the Gaming Machine Control Act 1991 to change the reference to section 159 to a reference to section 160. It is the advice of the Chief Parliamentary Counsel that this is the only way to ensure that section 2(3) does not operate to prevent regulations being made until 1996.

I commend the Bill to the House.

Mrs WADE (Kew) — To assist the government, which yesterday announced, somewhat prematurely and with some fanfare, the commencement of the gaming industry in Victoria, the opposition is prepared to proceed with the second-reading debate.

As the Attorney-General has pointed out, this small Bill seeks to withdraw the reference in section 2(3) of the principal Act, which is the commencement section, to section 159, which provides for regulations to come into operation on 1 November 1996, and replace it with a reference to section 160.

Section 159 empowers the government to make regulations for the purposes of the Gaming Machine Control Act. Naturally the government did not intend those provisions to come into operation in 1996. In fact, it is imperative that the regulations be made and come into operation immediately.

I understand the government attempted to proclaim section 159 on 1 November but apparently at some time someone must have read section 2 of the Act and discovered that the proclamation of section 159 was inconsistent with the provisions of section 2 and that that section was supposed to refer to section 160, which deals with the division of the take of gaming machines when the agreement between the government, Tattersalls and the Totalizator Agency Board expires in 1996.

The purpose of the legislation is described in the Bill and the Attorney-General's second-reading speech as correcting the cross-reference in section 2 of the Gaming Machine Control Act. It would be better described as a Bill to clean up after some sloppy government drafting that resulted in legislation where even the clause numbers in the important commencement provisions were not correct. That is symptomatic of the government.

Because of the government's supposed gambling-led recovery the Gaming Machine Control Bill was probably, from the government's point of view, the most important Bill to come before Parliament during these sittings. It is interesting to reflect that

during debate on the Bill the Attorney-General continually criticised the coalition for its questions about the legislation. He also criticised the coalition for the amendments it proposed, which were rejected in this House but subsequently included when the Bill was debated in the other place.

The Attorney-General accused the opposition of nit-picking. In fact he congratulated himself on his patience in dealing with the issues the coalition raised. If the government had spent more time on the detail of that legislation and the importance of proper government rather than publicity launches and self-promotion, this Bill would not be necessary.

The Gaming Machine Control Act was prepared by the government with apparently little care, and that is demonstrated not only by this Bill but also by the 133 amendments put forward in this House and the further 19 amendments proposed in the other place to the Gaming Machine Control Bill. That is not to mention the considerable work done by the coalition to ensure that the Act would provide appropriate protection against organised crime and that gaming and venue operators would be treated fairly.

This could be considered a minor slip on the part of the government when one compares it with the losses of State Bank Victoria and the loss of $11 million by the Attorney-General when, as the then Minister for Transport, he attempted to introduce scratch tickets. However it is symptomatic of the government's approach to both legislation and government. This is another piece of legislation on the statute book; it is another pile of paper going through this place and being sent to everyone who subscribes to the statute book. It means the loss of more trees in Victoria and the loss of taxpayers' money. It should not be necessary.

In conclusion I refer to the speech the Premier made yesterday when she was prematurely launching the new gaming machine industry. She said the gaming machine legislation will help to build confidence that Victoria is on the right track and looking to a bright and prosperous future. She also said:

> When it comes to gaming machines, nobody has done it better than Victoria.

I trust the Bill is not an omen for the future of the gaming machine industry, although I fear that, given the government's track record, it may be.

The coalition is not opposing the Bill. As I said earlier, we were prepared to go ahead with it at very short notice to assist the government. However we wish to place on record our condemnation of the government for the Bill having been necessary.

Motion agreed to.

Read second time.

Passed remaining stages.

STATE INSURANCE OFFICE (SALE) BILL

Second reading

Debate resumed from 23 October; motion of Mr ROPER (Treasurer).

Mr STOCKDALE (Brighton) — The State Insurance Office (Sale) Bill is designed to facilitate the sale of the State Insurance Office. The major features of the Bill are that, firstly, it provides, in clause 5, for the business of the SIO to be divided into four companies. Secondly, the SIO and the Treasurer are required to report to Parliament on the sale of substantial assets of the office. That is also provided for by clause 5. Thirdly, there is a provision to grant indemnities limited to a total exposure of the State to $40 million — again provided for by clause 5.

Fourthly, proceeds from the sale, except for the ordinary annual dividend of the office each year, which is limited to $40 million, must be paid to the Victorian Debt Retirement Fund and — subject to what I will say later about debt retirement and the consequences of the sale — committed to the reduction of State debt. Fifthly, the employees of the SIO, who are of course members of the Victorian Public Service, are given limited options to retain their Public Service status. That is provided for by clause 10. Finally, clause 11 provides that the Transport Accident Commission (TAC) is precluded from acquiring an interest in the SIO or any business of the office.

Even from that summary it will be apparent to the House that the content of the Bill is different from that of the Bill announced in the 1990 Budget, presented to Parliament last year and subsequently defeated in the Legislative Council. For reasons I will go into later the opposition retains serious reservations about the Bill and the proposed sale of the SIO by the present government, but, on balance, has determined not to oppose the Bill.

Mr Speaker, you will recall that the opposition did not support the previous Bill. Indeed, as I said, ultimately it was defeated in the Legislative Council. I might say it was one of the few Bills that the opposition said it was prepared to defeat and that the government actually took to a vote in the Legislative Council. Since that time, as has been a matter of public record in the media, negotiations have taken place between the government and the opposition. Those negotiations had their origins in two areas. First, there was the government's stated intention after the defeat of the first Bill that it still proposed to sell the SIO, subject to the fact that at various times the Treasurer contemplated the alternative that he would, as it were, renovate the SIO as a government agency and the people of Victoria would continue to own it. But the Treasurer made it clear that the government's preference was still to proceed with the sale of the State Insurance Office.

Second, earlier this year the opposition made public a number of conditions and said that if the conditions were met in a revised Bill it would be prepared not to oppose the passage of the Bill, thereby facilitating the sale of the SIO.

The negotiations have involved compromise on both sides. It is probably fair to say that the government still has reservations about the basis on which the sale will proceed when the Bill is passed; the opposition has serious reservations about the conditions surrounding the sale and the ultimate treatment of the proceeds. Nonetheless, agreement has been reached on the terms of the Bill. I will make one minor qualification to that in a moment. I will come back to the conditions the opposition spelt out when I deal with that matter, but I place on the record now that the current Bill largely accommodates the conditions the coalition announced earlier this year as the basis on which it would be prepared not to oppose a Bill of this kind.

There is, however, one concern remaining: the haste with which the matter has proceeded since general agreement was reached on the provisions of the Bill. As late as the day before the Minister moved that the Bill be read a second time, a week ago, discussions were continuing between the parties on the terms of the provisions that are right at the core of both the conditions the opposition imposed and the agreement between the parties.

I refer particularly to the opposition's concern, which is widely reflected in industry and the community, about the potential acquisition of the SIO by the Transport Accident Commission, a matter that has been the subject of debate and negotiation right up until the point when the Bill, in its current form, was agreed upon.

I must put a reservation on the agreement. In the course of negotiations the opposition made it clear to the Treasurer that it had given undertakings to people with vital community interests, firstly, to provide them with copies of the Bill as soon as it became available and, secondly, to consult with them on the efficacy of the Bill in achieving our objectives and in meeting the conditions we imposed on the sale of the SIO.

During debate on the motion for the adjournment of the second reading of the Bill I pointed out that the time provided for consultation was extremely short. I understand that the Insurance Council of Australia received a copy of the Bill from the Treasurer either on the day it was introduced or on the morning of the following day. The opposition was able to distribute copies of the Bill, the second-reading speech and explanatory notes to the council and to a number of insurers that compete with the SIO by mailing them out at the end of last week. As of last night, when the Treasurer and I discussed this matter, I had still not received any response from the Insurance Council of Australia or from the companies concerned. That is hardly surprising since they have had effectively only one or two working days in which to consider the Bill and, in particular, the extremely complex provisions of clause 11 relating to the inhibitions on the participation of the Transport Accident Commission in the sale process, which adopt by reference a large proportion of the corporations legislation.

I think the Treasurer would agree that it would be most unwise for a layman without extensive experience in corporations law to chance his arm — —

Mr Roper interjected.

Mr STOCKDALE — Many real lawyers without that experience would be most unwise to chance their arm on the precise legal effects. Following discussions with the Treasurer last night when it was clear he wished to proceed with the Bill today in any event, and as it was our desire not to artificially impede the progress of the Bill, I made contact with a number of the people who have an immediate commercial interest in this issue. I advise the House that they expressed to me a desire to obtain expert

legal advice on the efficacy of the provisions of the Bill, particularly of clause 11.

They have not yet had a realistic opportunity of obtaining that advice. The Bill has been proceeded with today and the opposition has agreed to that in so far as it cannot do anything else; it has a loose understanding with the Treasurer that the consultative process will continue and that there may need to be further discussions about the precise drafting of clause 11 when the Bill is between here and another place.

That does not alter the fact that it is my understanding that the government, albeit reluctantly, has agreed to accept the principle that it is intended that the Transport Accident Commission will have no direct or indirect involvement in the ownership or operation of the businesses of the State Insurance Office as a result of this sale.

There is one minor reservation: it does not alter the substance of what I have said but the intention of the opposition all along has been to try to find a formula that will not preclude the Transport Accident Commission from making an investment in the insurance industry as part of the construction of a balanced portfolio of investments and lock it out of holding shares in an insurance company in that way, merely because that company has some interest in a business that was previously conducted by the State Insurance Office.

Mr Speaker, you will appreciate that there is considerable difficulty in drafting legislation to preserve that capacity in the Transport Accident Commission but at the same time lock the commission out of becoming an effective participant in the ownership or control of the businesses that are now those of the State Insurance Office. Later I shall talk about the basis of that concern and that extremely complex issue. It is one on which I say that those who have a legitimate interest in the matter are entitled to take legal advice.

I understand the Treasurer does not dissent from the proposition about entitlement and, if necessary, the facility will be there for further discussion between the government and the opposition about the terms of the Bill in so far as they relate to that issue, and generally.

The Bill raises a number of issues. Firstly, it raises the history of the policy positions in relation to the sale of the State Insurance Office. Since at least 1984 it has been the published policy of the Liberal Party, and more latterly adopted as coalition policy, that the State Insurance Office should be sold.

Since 1984 the predominant non-Labor Party opposition has had as policy that the State Insurance Office should be sold to the private sector. The intention has always been that it would be sold by a process that is likely to give the best return to the people of Victoria by way of sale price and the application of the sale price to the reduction of State debt.

In the 1990 State Budget the government announced its intention not to sell the State Insurance Office in the way I have just outlined but to allow the Transport Accident Commission to acquire ownership of the State Insurance Office for $300 million.

There was considerable controversy about that issue. The *Age* newspaper editorialised in favour of the proposed sale. There was a considerable degree of controversy in other media with various people expressing opposition to the purported sale to the Transport Accident Commission.

The opposition announced that it was opposed to the Transport Accident Commission's simply taking over the State Insurance Office, which would not reduce State debt and would be a deterrent to the maintenance of proper competition in the motor vehicle insurance markets.

The opposition subsequently opposed the Bill when it was introduced in 1990 and it was later defeated on the principal grounds upon which the opposition opposed that Bill.

Firstly, there was not a sufficient guarantee that the proceeds of any sale would be used to reduce State debt and, secondly, in particular, the government refused to accommodate the widespread objection shared by the opposition to the Transport Accident Commission's acquiring ownership of the State Insurance Office. The Bill would have allowed the Transport Accident Commission to take over the State Insurance Office.

Subsequently discussions continued between the parties and the Treasurer indicated a preparedness to examine the prospect of excluding the Transport Accident Commission. On that basis the opposition published a set of conditions upon which it would be prepared not to oppose facilitating legislation.

Firstly, the opposition sought assurances that there would be a fair and proper tender process. Secondly, the conditions were such that the opposition wished to be assured by legislation that the proceeds of the sale would be applied to the reduction of State debt. Thirdly, the opposition sought a collateral assurance from the Treasurer — as I understand it, the Treasurer has agreed to give that assurance during the debate — that the repatriation of debt through the Debt Retirement Authority will not be used as a justification or authority to treat other borrowings of similar magnitude as a roll-over of debt; in other words, there will be a net reduction of total indebtedness as a result of the application of the proceeds of sale to debt reduction.

Thirdly, the opposition sought from the government a legislative provision that would preclude the Transport Accident Commission's being a purchaser or party to any purchase or gaining any control or ownership of the businesses of the State Insurance Office. Subject to any reservations about the drafting, clause 11 is designed to achieve that effect.

Fourthly, the opposition sought limitations upon the exposure of the State to liability in the future through indemnities and warranties. At the beginning of this calendar year, when the matter was the subject of public debate, the Premier raised the possibility of the government's including in the sale indemnities for the purpose of maximising the sale price of the State Insurance Office.

The opposition was concerned that that revealed an intention or a possibility that the provision of warranties and indemnities would go beyond what might be regarded as normal in the context of a sale such as this and be used artificially to raise the price thus acquiring additional cash at the expense of the State having to meet artificially raised liabilities in the future.

The government has said that it is prepared to meet those conditions, and to the extent that the opposition is able to effectively draft legislation to cover them they are provided for in the Bill. On that basis the essence of the reservations of the opposition has been accommodated. The opposition will not oppose the Bill.

I turn to the difference and the significance of the difference in the Bill of the inhibition of the Transport Accident Commission's being a purchaser or party to a purchase. The concern of the opposition has always been those two critical elements. Firstly, there should be a commitment to reduce debt as a result of the sale of the State Insurance Office and, secondly, there should not be an adverse impact on general motor vehicle insurance in Victoria.

The Transport Accident Commission is not a simple commercial insurer, its reserves are motorists' funds and those funds are there to provide security of benefits for motorists who have been injured on Victoria's roads. That is an important point: the funds that are held as investment funds by the Transport Accident Commission are not the funds of the Victorian government, they are the funds of Victorian motorists and are not held willy-nilly as a good idea or to provide some investment pool for any ulterior purpose; they are there to facilitate the ongoing provision of benefits to motorists who have already been injured. The scheme is heavily biased towards providing benefits for those who are most seriously injured in motor accidents on our roads, so it is the security of injured motorists — in particular, motorists who are seriously injured in accidents on our roads — that is at stake in this issue.

The opposition understands that the proposal for the Transport Accident Commission to acquire the State Insurance Office for $300 million had not been referred to the TAC's investment advisers before it was announced by the government and did not meet the investment guidelines approved by the Treasurer for investments by the commission.

It clearly would not have been a good investment for the TAC or for the motorists whose interests it represents. Since the period when the SIO ceased to be responsible for third-party insurance — that insurance business was transferred to the commission — the SIO has generally achieved a return in the order of between $30 million and $40 million a year. Although in one year on a pre-tax basis the SIO returned close to $50 million, the general order of return on its activities has been about $30 million. That would represent an earning rate of only 10 per cent in nominal terms on the proposed TAC investment. Clearly over the period for which we have data it would have been better for the Transport Accident Commission to have invested in government bonds than to have bought the SIO.

It may be argued by the Treasurer that in a management sense the performance of the TAC has been superior to that of the SIO. I do not contest that, although an understanding of the differences in the natures of their businesses are absolutely vital in making that assessment. Nonetheless there is a lot of support in the business community for the

opposition's belief that there was no realistic prospect of the TAC achieving really substantial gains in efficiency merely by becoming the owner of the SIO.

In the interests of the motorists in whose place the TAC stands, the acquisition of the SIO would not have been a good investment. Indeed, it may be represented simply as a cynical grab for $300 million of the reserves that have been built up in the TAC to the benefit of the government in the short term to cope with the shortfall in its Budget, but at the expense of motorists in the medium and long term.

On the other hand, the opposition saw the possible merger of the TAC and the SIO as having important anti-competitive effects in the motor insurance industry generally. The essence of the TAC is that it has a legislated monopoly over a compulsory product. Every motorist in Victoria is supposed to be a customer. Obviously there is some slippage in that: there are some people who should pay premiums but who do not do so. By and large they are few in number and one could safely assume that they would not be attractive customers to the rest of the industry if they are not customers of the TAC.

For practical purposes the TAC has a universal customer base of motorists in Victoria. With modern, sophisticated technology, that customer base would give the TAC an enormous and unfair marketing edge were it to be a participant in other motor vehicle insurance markets. It was the widely shared view of the opposition that merging the TAC — an agency with a legislated monopoly over a compulsory product — with the SIO would have strong anti-competitive consequences tending towards monopoly.

The SIO is a substantial participant in the comprehensive motor vehicle insurance market and in other motor vehicle insurance markets. It is one of the big players, having approximately 20 per cent of the market. Combining an agency with a legislated monopoly over third-party personal injury insurance for motorists with an organisation that already has 20 per cent of the comprehensive and related product markets would obviously give that organisation an enormous competitive advantage.

One does not have to think very hard to visualise the sort of approach that could be made with the annual renewal notice for third-party insurance if the TAC-SIO were able to offer to handle all of the motor vehicle business of a customer. It would be very attractive to the customer and would put other insurers in the market at an enormous disadvantage.

The essence of the organisation's advantage would be the legislated monopoly over third-party insurance. The government would be conferring on its own agency a position which strongly disadvantaged other participants in what is now an intensely competitive market and which would have strong monopoly tendencies. Indeed, it may not have been long before the TAC had a total monopoly over all motor vehicle related insurance in Victoria.

There was also an argument, mounted most notably in the *Age*, about the effect on subsequent privatisation of motor vehicle insurance products were the merger to take place: that by merging the SIO and the TAC it would actually be easier in due course to privatise all motor insurance conducted by government agencies. The opposition strongly contests that argument; it is clearly fallacious. The dynamics of the two businesses are quite different and in the context of privatisation would clearly demand very different treatments.

In the most immediate sense the SIO is already suitable for privatisation. As this Bill demonstrates, the SIO can quite easily be put in a form that facilitates the sale either of the corporation as a legal entity or the businesses in the marketplace with minimal effect on the level of competition or the structure of the industry. On the other hand, the TAC is clearly not ready for privatisation in its present form.

Secondly, the dynamics of privatising the two areas flowing out of that position are obviously quite different. The SIO is just one participant in an industry that is already intensely competitive, and it is our view that, with the exception of the TAC, irrespective of who buys the SIO, the sale will have little effect on the overall level and effectiveness of competition in the markets in which it operates.

On the other hand, the TAC has a legislated monopoly in a compulsory product; were it to be privatised it would clearly be necessary to break up the business of the TAC into groups with shares of the market that would engender sustainable competition.

For example, it would clearly be against the public interest simply to float the TAC as a private monopoly offering a compulsory product. No doubt we would all hasten to buy shares if they were

offered for sale on that basis; it would be nothing less than a licence to print money.

The issues that are raised as to the structure of the industry or industries involved, the timing and progress of privatisation of the TAC, and the sorts of conceptual issues that would be raised by transitional arrangements are very different: they barely arise in the case of the SIO, as to some extent is illustrated by this Bill, but are immensely complex and difficult in a move to privatise the business of the TAC.

New South Wales is currently in the process of privatising its third-party business. The transitional arrangements have been difficult and have required adjustments. In dealing with situations of uninsurable or difficult to insure risk questions arise as to whether they should be handled by having an insurer of last resort or, as they are handled in New South Wales, by requiring insurers to accept any business offered at their usual price. Those sorts of issues simply do not arise in relation to the sale of the State Insurance Office on its own.

The concern of the opposition all along has been that the original proposal was directed simply at securing $300 million for the government without any real consideration of the impact of the sale either on the two businesses or on the Victorian community through its impact on the market.

The inhibitions, such as they are, in the form and timing of the issue clearly are more political than financial or commercial. The government wanted to sell the SIO to get the money, but internal Labor Party politics dictated that the first option should be retaining it in public ownership and doing a mickey mouse fiddle with $300 million to obtain the revenue by plundering reserves built up for motorists without dealing with the genuine privatisation issue.

I concede that the government, albeit under pressure from the opposition and the public, has now recognised the legitimacy of the privatisation of the SIO. And that brings me to the basis upon which the opposition has supported the privatisation of the SIO. There was a time when it might have been argued with some force that there was a need for a government-owned insurance agency. In those days the SIO conducted third-party insurance and competed in the workers compensation field. There was a view then that compulsory insurance schemes needed an insurer of last resort to deal with the problem of uninsurable risk, people whose conduct had made them virtually uninsurable unless they paid prohibitive premiums. It may have involved young people as a class or particular individuals who could have been prevented from legally driving motor vehicles because they could not afford the high premiums that reflect the risk of taking on that business.

As I pointed out, the New South Wales government has a policy that solves the problem that a government should own an insurer because of the requirement for an insurer of last resort — a policy that could be adopted in Victoria. The argument no longer has any force in relation to the SIO because third-party insurance and workers compensation are now conducted by closely integrated government agencies that meet those requirements and provide universal cover. So whatever rationale was provided in the past for the argument that the people of Victoria needed to own a general insurance office has ceased to exist.

The opposition has believed for a long time that there is no other rationale for the government owning an insurance office. Indeed, one of the other rationales argued in relation to the SIO was also argued in relation to the former State Bank Victoria: that it was a good idea for people to have an institution that had a government guarantee. The commercial consequences of an entity having that government guarantee and the consequences for the taxpayer have been driven home by the failure of the State Bank.

As the Royal Commission investigating the failure of Tricontinental Corporation Ltd and State Bank Victoria concluded, the existence of the government guarantee was a substantial contributor to the rate of growth of business, particularly of Tricontinental, but by implication involved the State Bank, involving higher risk and more speculative lending practices. More funds were available than would have been available to a private competitor because their availability was underpinned by the government guarantee and consequently the taxpayer.

That is exactly what happened with the State Bank and what might have happened with the SIO had it continued to conduct the former third-party insurance where the former Treasurer, the honourable member for Doveton, allowed debts of $2 billion to accumulate. On any proper basis the SIO was clearly insolvent. So the existence of the government guarantee to provide greater comfort for the more conservative members of the community has proven by clear-cut practical

experience in Victoria not to be a soundly based argument.

The argument that such commercial activities ought to be subjected to the competitive disciplines of the private marketplace is not only manifest in the policies that stand behind the Bill, but is clearly supported by the experience in Victoria in a wide range of areas, not least of all the SIO itself, as well as the State Bank and Tricontinental.

It has long been the position of the Liberal Party and the State coalition that there was no proper rationale for the government to continue to own a commercial insurer. We are not alone in that view. Other Australian governments have sold or are proposing to sell equivalent organisations. Government insurers in Great Britain and New Zealand have been privatised thus getting them back into the private marketplace subject to the usual disciplines and freeing the taxpayers from having potentially or actually to stand behind their operations.

It is important to note that, despite the claim that there is a debt reduction strategy in the Victorian government's Budget and its policy mix, and the coalition has clearly spelt out general principles upon which its privatisation policy will operate, the government has made no attempt to spell out the principles upon which it is privatising government agencies, including the SIO.

It is clear that the sale of the State Bank was driven by crisis. In the final analysis there was no alternative, given the mess the government created. The government has never once set out the general principles upon which it proposes selling off assets such as its share in the Portland aluminium smelter, the State forests and various other properties and businesses.

The most immediate reason for that is the Labor Party's internal difficulties in being seen to embrace the concept of privatisation. The government does not accept the rationale that competitive private enterprise does it better. The government ignored the evidence that commercial activity requires the discipline of private free enterprise to be effective. It has ignored the evidence that the private sector has consistently outperformed the public sector in return on capital and commercial efficiency.

Indeed, Loy Yang B is for sale not because the government believes it is a good idea to get private sector competition into the electricity industry but because it was left with no alternative: it cannot complete the construction of Loy Yang B without selling at least a 40 per cent share in the power station. The form of sale, in which a minority interest is being sold and two government agencies are being brought in to secure the tax position, reflects the fact that the government has no policy commitment to privatisation.

The government lags behind the rest of the Western World, and indeed much of the Eastern World, in having not embraced the concept of selling government enterprises to the private sector so that they are subject to private sector disciplines operating on commercial activities.

The opposition has spelt out why it supports the sale of the SIO. The opposition is not ideologically motivated to adopt the view that privatisation should always be the option pursued. The first question to be asked is whether there is a public benefit being served by government ownership of a particular organisation. If the answer is yes, the opposition may look for ways of reducing the government exposure to the risk, which may involve isolating that part of the organisation necessary to serve the public interest, but in the final analysis it is not prepared to privatise where it is not in the public interest to do so.

Where it could genuinely and realistically be claimed that government participation in the market, for example, puts downward pressure on prices or facilitates effective regulation in the overall market or the operation in that activity, or that it provides the government with access to information that would not otherwise be available and makes competition more effective in an area of the private sector privatisation would not be indicated.

It will very rarely justify the retention of a total government monopoly as is the case in Victoria with electricity and gas. In those cases one would expect that the public benefit argument would militate in the direction of getting private sector competition into a market that is currently explicitly and by force of law retained in public ownership.

But the opposition's touchstone is public benefit first of all. We are disposed on coldly practical grounds towards privatisation of commercial and semi-commercial activity, but we will move in that direction only where there is no public benefit that necessitates public ownership.

We are also in favour of competition. For example — and this is something on which the coalition is

consistently misrepresented by the Labor Party — we do not support privatising as single entities operations like the State Electricity Commission and the Gas and Fuel Corporation. We do not support simply floating an entity like the Gas and Fuel Corporation; that is a policy that has been advocated and flirted with at various times by the Minister for Manufacturing and Industry Development in another place, the Honourable David White, notwithstanding the fact that the Premier had announced that the government would not proceed on that course.

We want to see forms of privatisation that engender competition where there is not already competition. This Bill raises that issue, but it raises it in a positive sense. As I have said it is our view — and I doubt that it is contested by the government — that any legitimate tender sale to a private sector participant would have little or no impact on the level, sustainability and effectiveness of competition in the insurance markets in which the State Insurance Office operates or in the market generally.

But in other cases it will be necessary to break up or unbundle, to use the in-vogue term, commercial operations to identify the elements in which competition can be secured; to identify those which are natural monopolies; to straighten them out; and to engender competition in the case of natural monopolies by, for example, competition by comparison with reporting on a common format or by periodic tender of the operation of those activities; and in areas in which there is no natural monopoly to engender competition by privatisation in a form that creates a sustainable number of participants that can provide effective ongoing competition. The two elements are competition and public benefit.

The third element of the principles on which the opposition's policy approach is based recognises the fact that Victoria faces a debt crisis. Indefinitely into the future debt reduction will be a major priority in Victorian State public sector management. The statistics on the State's debt are very well known. They were reinforced only last week by the Auditor-General.

Victorians often talk about debt and State debt as if the problem we are handing on to our children, and unfortunately even to their children, is the beginning and the end of the debt saga. There is a tendency in some quarters to regard debt as being not really meaningful. Some people take a selfish view and say, "What does it matter anyway? I'll take the benefits of the borrowings now and if my children have to pay for it, so be it". Increasingly that view is not taken; and particularly in the more responsible areas of the community where people actually understand the significance of debt, that view is being solidly rejected.

But there is a much more important and immediate implication of the level of debt in the State, and it is demonstrated by the fact that, of all revenue raised by the government of Victoria, the proportion taken to pay interest on debt has increased from 15 cents in the $1 when the present government came to office to 26 cents in the $1 this year; so more than one quarter of all the taxes and other revenue that the government collects goes in the servicing of State debt.

It is fair to say that the very rapid growth in the debt servicing burden since the government came to office has been one of the major forces driving up taxes to the level where, when all taxes are taken into account, Victorians are the most highly taxed Australians.

We face a situation where not only is the debt burden, the stock of debt, itself an enormous and rapidly growing problem for the State — notwithstanding the government's claim that it has a debt reduction strategy — but the debt servicing burden and the growth in that burden have become the State's major budgetary problem year after year. For example, the insane increases in payroll tax that have been made in this State over the past few years and the insane increases in the land tax burden that have been allowed to continue as a result of inflation have been made necessary and have been driven in upon the Labor government principally because of the increase in the cost of debt, that is, the interest burden.

Recognising that fact, the opposition is strongly committed to the use of the proceeds of privatisation to reduce debt and to replace borrowings. It is our intention that the amount of new borrowings will be reduced by a concerted privatisation campaign.

Privatisation itself can be used as a vehicle to shift debt out of the public sector and into the private sector, where it can be more effectively managed and where it does not have to be serviced out of the taxes that Victorians pay. For example, SEC assets might be sold with debt, and even with debt that was raised in order to build or acquire other assets. That is best demonstrated by the government's own proposal for the Loy Yang B power station, which is

effectively to shift 40 per cent of the debt out of the public sector and into a situation where it is serviced by the private sector.

Therefore privatisation will not only reduce the amount of borrowings by its proceeds but will also enable us to shift debt out of the public sector through the privatisation itself. Moreover, if we are able to realise a net receipt above the debt that is shifted, the present government and the coalition will be able to move positively to repatriate debt out of the proceeds of privatisation. Therefore privatisation is important, and indeed it appears to be recognised even by the government as being essential to reducing debt.

The fourth element of the opposition's approach to privatisation concerns the position of the employees in the enterprises that are being privatised. The government has gone some of the way towards recognising the rights of SIO employees. To the extent it has done that, the package appears to be somewhat more generous than we believe is really necessary, but our objection has not been pressed to the point of opposing that provision or demanding its amendment in order to secure our agreement to pass the Bill.

The Bill protects the ongoing rights of employees. It is perhaps unfortunate for everybody in this case — for the SIO, for the purchaser, and ironically for the employees, but particularly for the State — that the employees have long had the status of being covered by the Public Service Act. I think that has imposed a number of complications that, in the final analysis, work against everybody's interests.

They clearly work against the interests of the State because some complications that have resulted in additional liabilities than might otherwise have been incurred have arisen in this case, and benefits have been provided that might well have not had to be provided if the employees were not public servants. They will have implications beyond the SIO if a large number of employees choose to exercise the options that are available to retain their Public Service status.

Nonetheless the Bill protects the employees' ongoing rights. It protects their accrued entitlements and their status as public servants, and to that extent, subject to the reservation I have expressed, we support it.

The Bill does not adequately protect the career prospects of employees except to provide the option for retaining Public Service status. It is unfortunate that the issue of the career prospects of Public Service employees diverted attention from the need to maximise their career prospects when negotiations were undertaken.

Most importantly, the Bill does not meet one of the major priorities of the coalition's privatisation policy. No attempt has been made to reserve for the employees of the State Insurance Office the right to access to the shareholding in the privatised corporation or corporations. It does not appear that attention has been directed to that matter and it appears quite unlikely to be achieved, subject only to whatever share option schemes might be available within the business of the purchaser. The SIO employees, by virtue of privatisation, will not gain access to any shareholding, let alone gain preferential access. Wherever possible employees should be given preferential access to shareholdings, even if there is an adverse market impact because of the attractiveness of that access, because the rights of employees and the interests of the community in employee shareholdings will ultimately outweigh any adverse effect on the market.

The coalition would like to see similar privatisation when it is in government endeavour to provide employees with preferential access to shareholdings in the businesses in which they are employed. It is absolutely vital that the rights of employees are recognised. They have often invested long years of service in the business they work for and to some degree they are giving up the security of Public Service status or another preferred status in the public sector and taking on a greater risk in the private sector; although by and large we believe business will flourish and prospects will be better.

At the time of sale we believe share ownership by employees will be an important factor in securing commitment to the ongoing success of the business, not only because of the investment of labour but also because they will have an equity interest in the business in which they work. It is part of the process of selling the concept of privatisation. Indeed, in Britain employees' preferential access to shareholdings proved popular in government enterprises that were privatised, with a resultant benefit to the community.

The case for implementing those principles when privatising a public sector enterprise is clear. The House will be aware that some years ago the Industry Commission published a report based on a survey of a number of mainly Federal government

authorities and it compared their returns on investment and on equity and a number of other financial measures with returns that were available elsewhere. The commission concluded that the taxpayers would have done better if they had invested in bonds rather than in those businesses. The businesses compared unfavourably with the private sector in Australia and even more unfavourably with the private sector overseas.

Equally, Dominguez Barry Samuel Montagu Securities Ltd some years ago put together a survey entitled *Quality Rankings* comparing a wide range of Australian industries and government businesses with American utilities on a wide range of measures of financial management efficiency. A wide range of Victorian authorities were included, in particular the Gas and Fuel Corporation, the then Board of Works and the State Electricity Commission. On almost every measure the Australian industries ranked behind the American utilities and substantially so. The study, which was undertaken over a considerable period and established on a number of critical measures of financial management efficiency and corporate health, showed that the public sector was substantially outperformed by the private sector and by the American utilities.

A more immediate global study is available in that the Australian Bureau of Statistics publishes figures annually which enable comparisons to be made between the return on capital of the Australian private sector, corporate trading enterprises and government trading enterprises. I emphasise that the statistics do not compare private enterprise with government in general; the comparisons are more of like with like. On the government side it is confined to government trading enterprises. A period of fifteen years is certainly long enough for significant trends to be judged, and obviously the findings would have statistical validity. The ABS figures show that over fifteen years the public sector had a 1.6 per cent return on capital whereas the private sector averaged an annual return of 14.9 per cent on capital. That is compelling evidence that the Australian private sector is better at using the community's resources.

We support the sale of the SIO and we support the Bill because they represent an adjustment of the allocation of resources in favour of the Victorian community. Australia has a significant proportion of its total resources tied up in government businesses. Many of them are monopolies, like the gas and electricity authorities in Victoria. If we extend that into a quasi-commercial area like transport, we have a high proportion of the total economic activity in the public sector and to a large extent it is influenced by monopoly considerations associated with its location in the public sector.

As a nation and as a State we cannot afford to have a substantial proportion of the country's resources locked up in the public sector securing 1.6 per cent return a year on investment when we have the option of transferring those resources to the private sector and over time building up to an average return of 15 per cent a year on the community's investment.

Part of the coalition's privatisation policy and one of the fundamental principles upon which it is based is that economic activity should be transferred from the public sector, which is traditionally conducted more inefficiently, to the private sector, which traditionally is found to be a more efficient performer. For the sake of the debate you, Mr Speaker, might be drawn to vacate the Chair and give a well-researched speech as you have done in the past — —

The SPEAKER — Order! The honourable member for Brighton should not involve the Chair in the debate. The Chair has no view about the matter. Those were the views of the honourable member for Werribee.

Mr STOCKDALE — In the past the honourable member for Werribee has put views that attracted recognition and deference even from his opponents. I understand they are no longer the views of the Chair.

I put a qualification on what I have said: during a time when questions were being put by a number of public sector employees after an address, I argued by and large that shifting resources from the public sector to the private sector would mean their more efficient utilisation, and I do not argue that there are no efficient public enterprises or that all private enterprises are efficient, but my argument is often misrepresented in that way. I have deliberately used the ABS figures to establish across the two broad areas that the argument is not simply that all private enterprises are good and all public enterprises are bad, but that there is a strong tendency for the private sector to significantly outperform the public sector in the use of the community's resources. Indeed the Australian community suffers a reduced standard of living to the extent that we accept a lower rate of return on a significant proportion of economic activity in our country.

In moving economic activity into the private sector the privatisation policies of the opposition are driven by a desire to provide more long-term, rewarding and secure employment, more jobs for Victorians and for Australians, and to raise the standard of living of the Australian people as a whole.

The privatisation policy we articulate, and the general approach to public sector management, is unequivocally directed at creating more jobs, at getting rid of the waste from inefficiently using resources, at maximising the efficiency of the use of Australia's resources and at rebuilding the living standards of Australians, which have sadly been declining over the past decade in particular under the accord process and Labor governments at both the Federal and State levels.

This brings me to the particular position of the Bill and its principles. Firstly, as to the effect on competition, I have already argued that the privatisation of the State Insurance Office — and I leave aside the Transport Accident Commission — will have little or no impact on the overall level of competition. It certainly cannot be said to be anti-competitive and may well result, if it brings a new participant into the important comprehensive motor vehicle market, in a net gain in the effectiveness of competition across that market. But certainly it is not countermanding on the basis of competitive criteria.

Secondly, in terms of public benefit there is no rationale for the retention of a general insurer in public ownership; and the government has now accepted that, and the opposition certainly accepts it. Thirdly, there is no necessity in real terms for having an insurer of last resort for either workers compensation or third-party insurance or, in other ways, to retain public ownership of the State Insurance Office.

Fourthly, the Bill in its present form avoids the anti-competitive effects of the Transport Accident Commission's monopoly in a related area of insurance and militates against the tendency towards monopoly that the government's original proposal would have secured.

As I have said, the government has agreed to apply the proceeds to debt reduction, and in touching upon that principle I will say something briefly on that aspect of the Bill. We have asked the Treasurer — and as I understand it he will give an assurance to the House — that the application of the proceeds of the sale through the Debt Retirement Authority to reducing State debt will not be used to justify treatment of other borrowings as a roll-over.

I am sure you will be aware, Mr Speaker, that the global limit to which the government is subject inhibits it in terms principally of new borrowings. It has authority to roll over debt as it matures. We are anxious to avoid a position in which we have an apparent reduction in debt, but no actual reduction in debt, and accordingly that undertaking from the Treasurer is an important concomitant of the application of the proceeds through the Debt Retirement Authority.

The final point concerns the employees' position, and I have outlined our attitude towards the provisions of the Bill and most particularly what is not in the Bill on this matter.

We are pleased to see that the government has, at least by inference, endorsed the concept of privatisation in a context that is outside the context of crisis that drove the sale of the State Bank and is driving the sale of 40 per cent of the Loy Yang B power station.

We believe it is an important recognition by the government of what is happening in much of the world, and even in the underdeveloped world and in countries that were previously communist countries.

It represents an opportunity for a new consensus between Victoria's political contestants around the idea of winding back the size of the government sector, reducing the burden the government sector imposes on the people of Victoria and, at least where there is public benefit for the people of Victoria, moving economic activity into the private sector. We believe it will have a positive effect on employment, and that is one of the major reasons for our supporting the sale of the SIO and supporting the Bill.

It is probable that the efficiency gains likely to be captured by the purchaser will produce an enterprise that is attractive to the staff of the State Insurance Office and will lead to most of them exercising the option of transferring their employment to the purchaser in an on-going sense, and not taking up other options. We certainly hope that is the case, not just in the interests of the taxpayer or the State Budget, but particularly in the interests of the employees themselves.

In the final analysis there will be no readily available alternative employment that utilises their expertise in the Victorian public sector, so they ought to find career prospects with the purchasers more attractive than simply adhering to the familiar territory of the Victorian Public Service Act.

The opposition wishes to see employees encouraged to exercise the option of looking for careers in the private sector with the purchasers, and in the long term we hope they will find ample scope for rewarding and fruitful careers with much more opportunity than would be available to similarly skilled people if they retained their Public Service employment. We would certainly want to be seen to be encouraging employees to move in the direction of the purchasers.

For all those reasons, although the opposition has some reservations about the legitimacy of the debt reduction that will flow from the Bill and still has some concern to ensure that the Transport Accident Commission does not participate in some way in the possible adverse consequences I have outlined, on balance we are prepared to support the Bill.

Mr CLARK (Balwyn) — I will not go over the ground already covered so comprehensively and capably by the honourable member for Brighton. Instead I shall comment briefly on some of the principles underlying the Bill and the course of negotiations and then move on to some specific aspects of the Bill that have been of concern to the coalition.

In principle the Bill meets the major policy objectives of the coalition in terms of privatisation. Transferring the SIO into the private sector should enhance its competitiveness, improve efficiency and lead to improved quality of choice for the consumer.

The proceeds can be used for the reduction of debt, and in reducing debt should provide a greater return to the State than would be the case if they were to remain invested in the existing business, and there is no reason of public policy to keep the SIO within the public sector.

Selling the business into the insurance market, which is a very competitive market, should not have any significant adverse effect on competition, even if it is sold to one of the existing participants in the industry, and if a new participant is brought into the industry it may enhance competition. Now that the Transport Accident Commission is to be excluded from involvement with the SIO, that should meet a major concern about expansion of that monopoly.

I should point out that the Bill simply empowers the sale of the businesses of the SIO. It does not require the sale. Whether or not the sale proceeds, the manner of handling the sale and the timing of the sale remain matters for the government, and no doubt it will take professional advice on that subject.

It is up to the government to decide how, if at all, the sale will proceed. It is the government's duty to obtain the best possible price for the sale of the businesses, and that is a matter over which the coalition can have no control.

As the honourable member for Brighton remarked, the Bill at present is substantially different from the Bill debated last year. The Bill now meets most of the objections raised by the coalition to the previous Bill. We have assurances that the proceeds of the sale will be used to reduce debt rather than to fund recurrent expenditure by the government and that, so far as it can be achieved, the Transport Accident Commission will be excluded from having a role in the SIO businesses that are sold.

This Bill comes before the House after a long course of negotiations between the government and the coalition; some may say those negotiations were not only long but also tedious and time consuming. However they are evidence that politicians can sit down and work constructively to resolve differences. In this day and age when most politicians are held in rather low regard by many members of the public, it is pleasing that we can at least talk to one another and make progress on certain issues.

The course of negotiations has been prolonged beyond what I would have expected when they commenced. That has been largely because the Treasurer and his advisers have had other calls on their time and have been distracted by such minor matters as Premiers Conferences at times when otherwise they would have been attending to this issue.

I make no criticism of the Treasurer in this regard but I point out that those other calls on his time have substantially protracted the negotiations and are probably the major cause of the negotiations having taken so long. I express some annoyance at the grandstanding we saw by the Premier in July when she tried to suggest that the delay in the negotiations was the responsibility of the opposition. That

grandstanding does nothing to further goodwill between the parties or to promote constructive resolution of these sorts of difficulties.

I now turn to some aspects of the Bill that have particularly concerned the coalition. I refer to the provisions to ensure that the proceeds of the transactions are applied to the reduction of debt. It has proved very difficult to include any provisions to this effect in the legislation. The coalition and the public must rely on the undertakings of the Treasurer in this regard. In clause 5 proposed section 20B(6), which is to be inserted into the State Insurance Office Act, requires the Treasurer to give to each House of Parliament:

> ... a statement of the manner of application of the proceeds of the transactions to which the report relates and any other related receipts.

No doubt those reports from the Treasurer will make clear the fact that the proceeds have been used for the reduction of debt and not used for other purposes. In addition, we have the undertaking by the Treasurer in his second-reading speech that:

> ... no additional borrowings will result from using the proceeds of the sale to expunge debt.

The coalition will carefully monitor the way that undertaking is implemented. A corollary of that undertaking almost certainly will be that during the years when the proceeds of the sale are received there will be a less than total drawing down by the State of its entitlement under the global borrowing limit. The opposition will look to that to see how the undertaking has been implemented.

In this context I also mention clause 9(2), which inserts a provision limiting the extent to which dividends can be paid by the SIO into the Consolidated Fund rather than the Victorian Debt Retirement Fund. The proceeds of sale could otherwise have been used to increase the dividends paid into the Consolidated Fund, thereby circumventing the requirement to apply the proceeds of sale to the reduction of debt. However a cap of $40 million in each financial year has been placed on the total amount that can be paid into the Consolidated Fund and the remainder must be paid into the Victorian Debt Retirement Fund.

Another aspect of the Bill that concerns the coalition is indemnities, as dealt with by proposed section 20E in clause 5 and proposed section 22A in clause 8. The coalition relies to a large extent on the assurances given to it by Macquarie Corporate Finance Ltd, the professional advisers to the government. If I represent that company correctly, its advice, which I understand has been adopted by the government, is that provisions relating to indemnities are intended to apply only in very limited circumstances and probably will cover sundry contingencies that are difficult to foresee, and that any indemnities to be given are to be the sorts of commercial boiler plate indemnities usually given in relation to the sale of businesses and shares.

It is perhaps unfortunate, having regard to these matters, that the Treasurer in his second-reading speech said:

> ... it is intended to consider such action —

the granting of indemnities —

> only to enhance the sale price.

At first glance one might think the Treasurer is undertaking to do exactly what the coalition was concerned to ensure he would not do, namely, provide extravagant indemnities to produce a sale price over and above the sale price that would otherwise be obtained.

However, having regard to what the coalition has been told by the government and by its advisers, that is not the intention of the Treasurer. Certainly we would be concerned were it to transpire that the sale price was increased by an artificial use of indemnities. In any event the ultimate protection of the public in this regard lies under proposed section 22A; it will limit the total liability under any of these indemnities to a maximum of $40 million.

I also comment on the provisions of clause 10 dealing with staffing. During debate on the previous Bill I expressed grave concern about some of the provisions, which in effect would have deprived public servant employees of the SIO of the benefit of their Public Service entitlements without any redress whatsoever. In effect they would have been thrown out of the Public Service with only very limited options of applying for positions within the Public Service and having no rights in that regard.

Clause 10(2) ensures that staff members have the right to elect to transfer back into the Public Service and away from the employment of the person or corporation that acquires the SIO business so that their fundamental rights to remuneration and other accrued benefits will be preserved.

As the honourable member for Brighton said, there is some question about the extent to which the more positive aspects of the future careers of members of staff could have been looked after better by the provisions of the Bill, but at least their fundamental rights are being safeguarded. That is welcomed by the opposition.

It has been pointed out to me that some of the anomalies about the timing of various rights that existed in the previous Bill have not been dealt with in this Bill. The negotiation of these issues must rest with the government, and so long as the fundamental rights of the public servant employees of the SIO are safeguarded that meets the most basic concerns that I had about the previous Bill.

I also echo the regret of the honourable member for Brighton that the opportunity does not appear to have been taken so far to ensure that staff members of the State Insurance Office are given the opportunity of taking up shares in the parts of the SIO business that are being privatised. I do not think the Bill precludes this and I would be interested to know, even at this relatively late stage, if the Treasurer is prepared to consider that option when he decides the manner in which he will proceed with the sale.

There are some technical details about clause 10 that I would ordinarily raise in Committee, but to avoid delaying the progress of business I mention them briefly at this stage. The first of these relates to clause 10(6). It seems to me that the latter half of that subclause is ungrammatical and may contain some typographical error.

Subclause (7) provides for two possible elections by a staff member. The first is to elect at the end of the two-year period after the date of acquisition to continue to be a member of the State Superannuation Fund until ceasing to be a staff member or:

> by notice in writing given to the secretary to the Public Service Board, electing that this sub-section not apply.

My concern is whether it is possible for the second of the elections that I have mentioned, that is, to elect that the right to continue not apply, is capable of being exercised before the first election is made. If that is the intention I do not think the clause allows it, because on my reading the second election can be made only after the first election has been made, namely, at the end of the two-year period.

If I understand the concept of these clauses correctly, it is to allow a staff member to negotiate an arrangement with the employer, a contract of employment, for example, which has as part of it that the staff member forever gives up the rights that are granted to him or her to continue his or her Public Service nexus. If that is the intention I fear that subclause (7) does not achieve it.

Subclause (8) also relates to elections and refers in two places to elections under subclause (7). It says:

> A staff member engaged in an acquired business who has not made an election under sub-section (7) and who ... was a member of the State Superannuation Fund may —

in certain circumstances do certain things if he or she has not made an election under subclauses (5), (6) or (7).

The point is that two elections are possible under subclause (7), and it is not clear in each of the references to elections in subclause (8) which of the elections under subclause (7) is being referred to. Maybe someone with a full understanding of the Bill can say which one of the elections each of the references relates to, but if I had to make a guess I would say the first reference in subclause (8) refers to the first election under subclause (7) and the second reference relates to the second election. However, that may be something the Treasurer wishes to clarify.

I turn finally to the proposed section 28A of the Transport Accident Act 1986, which will prevent the Transport Accident Commission from having anything to do with the SIO businesses once they are privatised. This has proved an extremely difficult clause in which to embody the intentions of the parties. The process has not been finally resolved.

I believe there is agreement on the intention to be achieved by this clause, which is basically to ensure that the Transport Accident Commission does not enter into any deals connected with the SIO. It is not to enter into any profit-sharing arrangements in connection with any SIO business, any commission sharing, any joint promotion or any other dealing that links the TAC with the SIO, because any of those dealings can open up scope for abuse of its monopoly position as described by the honourable member for Brighton.

Likewise there should be no investment in third-party entities conditional upon some dealing

involved in the SIO, nor should there be any direct purchase of part or all of the SIO businesses or of shares in an SIO subsidiary. However this objective is not intended to prevent the TAC holding what might be described as an ordinary portfolio interest in an insurer, banker or some other entity that might happen to take up an interest in an SIO business. It has been intended to achieve this is by preventing the TAC from acquiring what is described under the corporations law as a relevant interest in shares in an SIO subsidiary or, by way of analogy, something corresponding to a relevant interest in a business of the SIO.

By way of explanation to honourable members, "relevant interest" is defined in the corporations law primarily as the power of the holder of a relevant interest to vote the shares the subject of the relevant interest or to dispose of those shares. On top of that there is a tracing provision that enables relevant interests to be traced through one or more intervening companies, but there is a general cut-off threshold of a 20 per cent shareholding in such an intervening company. In other words, it would be open to the TAC in normal circumstances to have a shareholding of up to 20 per cent in a company that either owned part of the SIO business or bought shares in SIO subsidiaries without the provision being infringed.

In my view proposed section 28A as drafted achieves the opposition's objective of preventing the TAC from having an involvement of the sort I have described with an SIO company or part of an SIO business, even though the drafting is, as has been described to me, somewhat fuzzy. However it appears that close to the last minute the TAC has raised a concern that the clause might go too far, in that it might inhibit the ability of the TAC to engage in its normal dealings in shares to achieve a balanced portfolio.

I am surprised that this concern of the TAC has been raised at such a late stage in the progress of the Bill. I heard about its concern only yesterday, and I do not know when its concern was raised with others. One would have thought that somewhere in the bureaucratic process of government in bringing a Bill such as this to the House the views of the TAC would have been sought and any of its concerns would have been addressed.

Whether the problem lies with the TAC, the Treasurer or some other responsible Minister, that does not seem to have happened. In any event the TAC has obtained legal advice dated 25 October 1991 which raises some concerns, and a copy of that advice has kindly been made available to the coalition. Primarily it expresses concern that the application of the corporations law contained in proposed section 28A might pick up references to interests more extensive than the reference to relevant interests which I have previously described to the House. It is said that the proposed section might pick up any other interest referred to in the corporations law, which, as the author of the letter argues, could prohibit the TAC from acquiring even one share in a company that has an interest in the SIO. Whether that is the case I am not sure, but it is certainly something that is not intended by any of the parties. If there is a problem in that regard the coalition is certainly happy to accommodate the government in resolving it. However, this concern is primarily a matter for the government and it is up to the government to be satisfied that any changes made to the Bill will achieve what it wants.

In conclusion, after a long and agonising process of negotiation, discussion and compromise on both sides we now have before the House a Bill that can privatise the SIO. It ensures that it is a genuine privatisation and offers prospects of enhanced benefits to consumers, improved efficiency, the reduction of debt and the achievement of a higher return to the taxpayer than through continued retention of the SIO. To that extent the Bill is welcome and is not opposed by the coalition.

Mr PERRIN (Bulleen) — I congratulate the honourable members for Brighton and Balwyn for their excellent contributions to the debate. This is the second attempt by the discredited Labor government to sell off the State Insurance Office. The government was forced to withdraw the original Bill because of objections raised by the opposition.

The State Insurance Office (Sale) Bill has been introduced because the government has been forced by the coalition to change the conditions of the sale of the State Insurance Office. Firstly, the coalition stipulated that any sale of the SIO had to be fair and a proper tendering process had to be undertaken. Secondly, the coalition demanded that the proceeds from the sale should be used to reduce State debt. Thirdly, we said we would agree to the passing of the Bill only if the proceeds were not rolled over and therefore used to increase borrowings in other areas. Fourthly, the coalition insisted that the Transport Accident Commission was to be precluded from purchasing or being one of the purchasers of the SIO. Fifthly, we demanded that indemnities or

warranties should not be used to artificially increase the sale price. Had those conditions not been met the coalition would not have allowed the government to sell the State Insurance Office.

The SIO must be sold because of the gross financial incompetence of the government, which has been compounding since 1982. The government was forced to sell State Bank Victoria because to all intents and purposes the bank was broke and other State assets had been sold in fire sales to prop up the Budget.

When the original Bill was introduced the government argued that the SIO had to be sold because the State would lose money by selling the State Bank to the Commonwealth. The report of the Auditor-General shows that the selling of the bank could have disastrous effects for the taxpayers of Victoria. His report shows that Victorian taxpayers may have to continue to pay the Commonwealth for taking the State Bank off our hands.

I have done some calculations to show the cost to Victorians of the selling off of State assets, but they are not as up to date as the figures contained in the Auditor-General's report. The State Insurance Office, pine plantations and other Victorian assets have to be sold to pay for the losses incurred in the sale of the State Bank, which means that the taxes, rents and charges paid by Victorians to run those State assets will now be lost.

The calculations I have done show that the passing of the Bill will mean that every Victorian will lose $50 a year forever. That will be the catastrophic effect of the government's sale of the State Bank and the State Insurance Office, because once they are sold the Budget revenue provided by those and other assets will be lost to all Victorians forever.

The coalition made it clear that it was not prepared to endorse a government funny-money deal by allowing the SIO to be sold to the Transport Accident Commission. Shifty deals and attempts to fiddle the books have been the hallmark of this failed Labor government.

The government claimed that the TAC would pay $300 million to take the State Insurance Office off its hands. Such a sale would do no more than transfer the ownership and control of the operations of the SIO from one government instrumentality to another. The proposed sale of the office to the TAC represented an attempt to milk the Transport Accident Commission of its reserves to get the government out of a financial hole. The coalition was not prepared to accept such a deal, and as a result Victorian taxpayers will benefit. The opposition stand was courageous and correct in every way. There is no way the coalition would have accepted the sale of the SIO to another government instrumentality.

The notion of competition is also important. It is significant that the insurance industry is becoming more competitive — —

The DEPUTY SPEAKER (Mr Norris) — Order! Before the honourable member turns to competition, this may be an appropriate time to adjourn for lunch. He will have the call when the Chair is resumed.

Sitting suspended 1 p.m. until 2.3 p.m.

Mr PERRIN — Before the luncheon adjournment I was saying that I believe the State Insurance Office is about to be hit with a great deal of competition from SIO Australia, which is a New South Wales organisation, Australian Associated Motor Vehicles Ltd (AAMI) and GIO Australia, which is advertising in an attempt to take business from the SIO and other Victorian insurers. AAMI will also be reducing car insurance premiums, which will put intense pressure on the SIO. More importantly, it will put pressure on the sale of the SIO because buyers will have to operate in an intensely competitive market.

I should like to mention the potential sum we could obtain from the sale of the SIO. When the government attempted to sell the SIO to the Transport Accident Commission (TAC) and asked for $300 million it grossly understated its value. The SIO annual report to 30 June 1991 shows that it has net tangible assets of $282 million. If the SIO were sold in a competitive market with a proper base it would fetch more than $300 million.

I cannot understand why the government wanted to sell the SIO for $300 million when its net tangible assets were $282 million. Obviously it is a going concern. One would assume that the goodwill factor and the assets would take the value of the SIO well above the $300 million fire-sale price for which it was to be sold to the TAC.

One of the opposition's conditions is that the sale of the SIO must be by competitive tender. With respect to the actual amount, which will go towards retirement of debt, clearly the larger the sum we can sell it for, the better.

The interesting thing is the timing of the sale. We are trying to sell the SIO during a severe recession. I put it to the House that this is the worst possible time to sell any business, yet that is what the government is doing. Why? Clearly the government is desperate for money. That is the only reason it is selling the SIO. It has to get out of its self-imposed Budget crisis. The timing is critical. Apart from the recent float of the Commonwealth Bank, very few business sales have been successful. Clearly the taxpayers will pay the price of selling the SIO at this time. I, for one, believe the government's desperation for money and its gross incompetence have led to the sale of the SIO, and there could not be a worse possible set of circumstances in which to sell the SIO than the current economic climate.

We could obtain more than $300 million if we sold the SIO at a better time. The proper basis on which to dispose of the SIO would be to float it on the stock exchange. The partial privatisation of the Commonwealth Bank was eminently successful, and as somebody who was prepared to put his money where his mouth was and to take a few shares in the Commonwealth Bank, I can say that that is the best way to dispose of the SIO. One has only to look at what happened with the partial float of the Commonwealth Bank to see that. It was sold to the public for $5.40 a share and at the moment each share is worth $7. That is proof of the fact that if we were to float the SIO in the present climate the taxpayers of Victoria could well benefit.

I am a believer in employee share ownership. I believe employees of the SIO would welcome an opportunity to be shareholders in the organisation in which they work. The only way that would be achieved is if the State Insurance Office were floated on the stock exchange. That would at least give employees of the State Insurance Office a chance of actively participating in its management, which would better serve not only the taxpayers of Victoria but also the State Insurance Office because it would be better able to compete in the marketplace.

The opposition has imposed on the government conditions regarding the use of the funds from the sale, one of which is that the money be used exclusively to retire debt. Victoria currently has huge debt levels and they must be brought down. If the State Insurance Office were sold and the money from the sale were not used to repay debt, the community could rightly suggest that Parliament had not done the right thing.

Some $40 million from the sale will be paid to the government as a dividend and will not be used to reduce debt. If the sale nets $300 million to be used for debt retirement, taxpayers will save a considerable amount of money each year because the funds borrowed to pay the interest on government loans will be reduced.

I have been extremely critical of the government and its policies, particularly the way it has bled dry statutory authorities, of which the State Insurance Office is only one. The latest Budget Papers show that this year the government expects from the office a dividend of $35 million whereas last year it took $34.1 million. The annual report of the State Insurance Office shows that its profits were not much higher than the dividend it paid to the government. Last year the net profit of the office after income tax was almost $38 million, yet it paid a dividend of $34 million. That left the office with a profit of $4 million.

The government is totally incompetent and concerned only with bleeding dry the State's statutory corporations. No properly run business in the State could justify such a large proportion of profits being paid as a dividend. When the State Insurance Office is sold to the public, in line with other major private sector organisations it will no longer pay to its shareholders a dividend of more than 50 per cent of the profit.

Year after year the government has bled dry the State Insurance Office simply by taking its profits and using them for its own purposes without any concern for the welfare of the office. The Bill provides for a special dividend to be paid. One could describe it as the last lick of the ice-cream. The government has already drained the State Insurance Office but it will receive $40 million from whoever buys the office.

Last year the State Insurance Office made only $38 million. The State is currently in a recession and it is safe to assume that the office will not make a larger profit this year than it did last year. In the last year before the State Insurance Office is to be sold the government will take a dividend of $40 million. When that happens, the State Insurance Office will report a net loss. The government is greedy and incompetent; it is milking the organisation and sucking it dry. It is trying to get blood out of a stone.

As I said, I am concerned about the operations of statutory organisations, particularly their boards of directors. One of the benefits of selling the State

Insurance Office is that the new owners will want to employ their own directors to put in place sensible and competent policies. A new board will have a longer term view than has been the case with the existing board, which has been driven by the government and its dividend policies. The new board will not be dictated to by this incompetent, blood-sucking government.

The people who will have a stake in the State Insurance Office will be not only the directors of the board but also the shareholders, the employees and the policyholders. Those people will have an interest in making sure the State Insurance Office takes a long-term view of its operations.

One of the conditions insisted upon by the opposition was the inclusion in the Bill of the clause dealing with limited liability. The Bill stipulates that the call on taxpayers will be limited to $40 million, and that is critical. The government sold State Bank Victoria and it now appears that that will cost taxpayers vast sums of money because the liability clauses have been called upon by the purchasers. It is critical for the taxpayers of Victoria that there is no higher call on the State Insurance Office than $40 million. The coalition does not want the purchaser coming back some time in the future claiming recompense for matters that were not disclosed because the government ran the office badly, although that is the case.

If the future owners of the State Insurance Office seek payment for unforeseen liabilities, where will the money come from? Will it come from consolidated revenue or from the Victorian Debt Retirement Fund? As I said, the last dividend, the $40 million that the State will take out of the SIO, will go into consolidated revenue. Any future call-back or any liability that is called upon by the ultimate purchaser of the SIO might have to be paid for by Victorian taxpayers.

The State Insurance Office (Sale) Bill limits the call-back to $40 million. The benefit to taxpayers has been included because of an active opposition. Pressure was put on the government to ensure that in the future liabilities are not brought to bear on the taxpayers of Victoria, who would have to pay more of their hard-earned money in such a circumstance.

No doubt can exist that this Bill would not be passed by Parliament if the first Bill had not been rejected by the Legislative Council. The Bill introduced last year proposed the conducting of an inappropriate fire sale, with no commonsense applied to it.

The only reason the Bill is acceptable to the opposition is because it meets the five conditions the opposition has now put on this Bill. As I said, it makes sense to sell the SIO and to try to reduce the State's debt. The future of the SIO is assured because it will be run by the private sector and therefore will be run properly. It will not be dictated to by government policies, and all the stakeholders, regardless of whether they are directors, shareholders, employees or policyholders, will benefit from having a properly run SIO.

Mr ROPER (Treasurer) — I thank honourable members who have taken part in the debate on the State Insurance Office (Sale) Bill. I take issue with some of the closing remarks of the honourable member for Bulleen, who said the State Insurance Office had been badly run. That was not said by either the honourable member for Brighton or the honourable member for Balwyn. They did not make that point; they made the more intelligent point that it was the government's view and their view that there was no essential reason for the SIO to remain under public ownership and control.

On a number of occasions I have said that last year the government had a choice: it could have added to the capacity of the SIO by setting up a new board and making major management changes, or it could have sold the SIO. The government decided it was preferable to sell the organisation. The Public Service is not peculiarly skilled in the operation of insurance business and the government decided the sale was the better of the two options.

The suggestion of the honourable member for Bulleen that the SIO was badly run is not supported by the figures comparing the activities of the SIO with those of much of the insurance conducted in the private sector. That is not to say the organisation cannot be better run. Indeed, over the past twelve months negotiations between the government and the Victorian Public Service Association have resulted in the major reform of industrial arrangements. The organisation will be better run and have greater flexibility in its operations in the future.

I deal with a number of key issues raised during the debate. Firstly, honourable members referred to clause 11 and to whether the Transport Accident Commission should be able to have an interest in the SIO. As the honourable member for Brighton and others are aware, the issue was raised twelve months ago. Then it was not regarded as crucial by the government and it is still not regarded as a

crucial issue. Clearly whether the TAC should be able to purchase the SIO is a crucial issue for the opposition and for members of the Insurance Council of Australia Ltd.

The clauses that have been drafted will effectively prevent the TAC from gaining an interest in the SIO. The honourable member for Balwyn, who is a kind of real lawyer, agrees with the government's position on this matter. The TAC will be prevented from having an interest in the SIO, once sold, or in parts of the SIO, once sold.

Honourable members have questioned whether various clauses of the Bill are adequate. If legal advice is received that suggests that further amendments are required to achieve the purpose of the government, amendments will be made to the Bill while it is in the other place. No difference of opinion exists between the government and the opposition on that matter.

The response I have received from the Insurance Council of Australia following its investigation of the Bill and examination of the second-reading speech is that it supports the measure. It expresses concern in general terms about the TAC, but that is a commercial matter that one can understand even if one does not support it. It is not part and parcel of the Bill. The Bill has a far more restricted purpose than dealing with the future investment and business arrangements of the TAC. As I said, if suggestions are made that clause 11 requires amendment, they will certainly be taken into account.

The honourable member for Balwyn raised the issue of employees, as did the honourable member for Brighton, who suggested that the conditions of employment of officers of the SIO are more generous than is necessary. The honourable member for Balwyn suggested some changes could be made and he sought explanation about some matters. If he wishes to persist with those requests for explanations about clause 10, I will arrange for explanations to be given to him.

Over the past twelve months the officers of the SIO have operated under extreme difficulty. It was not that the future ownership of the organisation was under challenge but that they were aware that it would change because of the government's clearly expressed intention of selling the organisation. The management and staff of the SIO have performed magnificently in that period and the government expects them to continue to do so. They have dealt admirably with a period of uncertainty caused by the decision of the opposition to refuse the second reading of the original Bill in the Upper House. I hope the agreement reached between the government and the opposition will ensure that the period of uncertainty for officers of the SIO will end.

I certainly agree with honourable members opposite who said that the best future for officers of the SIO is with the new owner in the new organisation. They are skilled in insurance and they should have favourable futures there. As I said, that outcome has been made easier to achieve because of the industrial agreements entered into over recent months that will allow for greater flexibility in the work force than would have been available under traditional Public Service arrangements.

The honourable member for Brighton raised superannuation liability. Currently it is shown in the SIO annual accounts as a liability for past service. It is also shown in the SIO annual report. The State Insurance Office valuations take into account the liabilities as listed in the books of the SIO, and in determining the sale that issue has to be resolved. I am happy to assure the honourable member for Brighton that he will be briefed on the issue. I advise him that superannuation is shown as a liability in the SIO's annual accounts and that it has been taken into account in the valuations.

The last matter I raise is that, provided there is no change in the opposition's view — and I do not believe there is — the State Insurance Office is for sale. It is for sale at a reasonable price; it is not for sale at any price.

Issues such as taxation and Commonwealth arrangements will significantly add to the level of debt reduction that is capable of being achieved. As I said in my second-reading speech, we have given clear undertakings about debt reduction as a result of the sale. If the bids are not adequate we will have to proceed with the second option that I mentioned at the beginning of my remarks — the appointment of a new board that will get on with the operation of the SIO.

It is the view of Parliament that the SIO should be sold. I believe it is the view of the industry that its value is such that a reasonable price will be offered to the people of Victoria for what is a significant asset to which a large number of SIO staff have contributed over the years.

Motion agreed to.

Read second time.

Committed.

Committee

Clause 1 agreed to.

Clause 2

Mr ROPER (Treasurer) — I move:

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

Amendment agreed to; amended clause agreed to; clauses 3 to 9 agreed to.

Clause 10

Mr ROPER (Treasurer) — I move:

2. Clause 10, page 9, line 24, omit "appointed" and insert "relevant".

The amendment corrects a drafting error.

Amendment agreed to; amended clause agreed to; clause 11 agreed to.

Reported to House with amendments.

Passed remaining stages.

MINISTERIAL STATEMENT

Protective services for children and young people

Mrs SETCHES (Minister for Community Services) — I wish to make a Ministerial statement about protective services for children and young people.

This government has initiated the most significant reforms in the protection of children from abuse and neglect to be undertaken in this State. In this statement I will summarise the new directions and initiatives that have formed the basis of reform and establish the nature of child protection in this State over the years ahead.

Three major aims of these developments will be evident:

responding effectively to the needs of particular children for protection and safety;

maximising the capacity of the family unit to provide adequate protection and support; and

maximising the provision of relevant support to the family from local, community-based services.

A DECADE OF REFORM

Child protection before the 1980s

In examining the major developments within protective services it is appropriate to remember the nature of our response to abused and neglected children only a decade ago. The nature of this response can be characterised by:

excessive use of the Children's Court. The majority of children and young people coming before police welfare authorities with welfare concerns were made wards of State almost as a matter of course;

long periods of intervention. Children and young people frequently remained wards until they were eighteen years of age;

children's homes and large institutions. Wards were often kept separated from their families for many years and placed in large children's homes and institutions;

poor sensitivity to different cultures. Child welfare responses to Aboriginal families were inequitable, with minimal involvement of parents or community representatives in decision making with limited personal care and support;

high caseloads and long waiting lists. Child welfare staff were expected to support more than 30 children each, in addition to managing long waiting lists for children and their families who may not get any attention or service at all;

reliance until October 1985 on the voluntary services of the Children's Protection Society. The Children's Protection Society was inadequately resourced and inappropriate to undertake the statutory tasks of child protection; and

the "dual track" child protection system. This created fundamental problems, with different philosophies between CSV and police and a lack of clarity regarding accountability for child protection services.

The reforms that have been achieved in Victoria since that time, however, have been comprehensive and systematic. Shortly after coming to office in 1982 this government commissioned the Child Welfare Practice and Legislation Review Committee, chaired by Dr Terry Carney. That review and a subsequent review by Mr Justice Fogarty stimulated a period of progressive reform in the delivery of child protection services, made possible by the significant increase in funding provided by this government.

It is an appropriate time to reflect on the major advances that have been achieved in the past ten years and further developments associated with proclamation of the Children and Young Persons Act 1989. A significant increase in funding for child protection services to over $24 million and CSV's increased effectiveness in targeting and service delivery have led to the following achievements.

MAJOR ACHIEVEMENTS

Protecting children from abuse and neglect

The number of referrals to my department of cases involving child protection concerns has increased significantly in recent years. In 1990-91 over 14 600 referrals were received by my department. This compares with 5200 referrals in 1985-86 and 1300 referrals in 1980-81.

The community is now much more aware of the problems of child abuse and neglect. The improvements that have been achieved in the management and delivery of child protection services have also increased the confidence of the community in the service and therefore increased the number of referrals received.

Improvements in the performance of the service over the past three years have more than kept pace with increasing demands. In December 1988, 15 per cent of the referrals made to Community Services Victoria child protection staff were transferred to the police because of the shared responsibility for child protection. This has now been rectified with CSV taking clear responsibility for the protection of children and police focusing on the criminal aspect of child abuse. My department now investigates 99 per cent of all referrals received.

The numbers of children and young people subject to protective orders from the Children's Court on waiting lists for full-time supervision have also been significantly reduced.

An after-hours response

Many situations requiring an immediate response to protect children and young people from harm occur outside normal office hours. Even if a home visit is not required, it is important for the community to get ready access to child protection staff to discuss concerns and report circumstances of potential risk.

In recognition of these issues in 1989 my department established an After Hours Child Protection Service. This has resulted in a major improvement in the responsiveness of protective services to the needs of vulnerable children and families in Victoria.

With 30 staff, the service receives over 7700 telephone calls a year on a Statewide crisis line and makes over 1100 visits in the metropolitan area to situations requiring an immediate response. The service has established excellent links with hospitals and other emergency services.

After-hours response arrangements have been established in several rural regions and will be extended to more areas/regions during the next twelve months.

Children At Risk Register

To improve the protection of children a Children at Risk Register (CARR) was established in 1988 under the supervision of the Office of the Public Advocate. All information retained on the CARR is confidential. Only protective interveners from CSV and police can contact the register to record a notification or make an inquiry.

The register records the details of all referrals to protective services and provides a point of reference to check previous referrals of particular children and young people. The register has provided relevant monitoring in circumstances of mobile, vulnerable families. Over 5000 children have been registered since 1988. Information placed on the register is not retained indefinitely. The length of registration is determined by the level of risk to the child. At the completion of the registration period all details are removed from the register.

Increased funds and staffing

The improved capacity to deliver child protection services in Victoria has been made possible by the strong commitment of government, demonstrated by significant increases in Budget allocations. The Budget allocation has increased from $1 million in

1982-83 to $9 million in 1988-89. The 1991-1992 Budget allocation is over $23 million, which provides staff to both investigate allegations of child abuse and supervise children and young people in the care of the department.

These increases have enabled the number of child protection staff positions to be increased from 270 in 1985 to currently more than 500.

Staff training and support

Child protection is one of the most demanding professions. It involves many difficult and critical decisions, often subject to public scrutiny.

A major effort has therefore been placed on the training and support available to child protection staff. Prior to these initiatives, child protection programs suffered major problems in staff recruitment and retention.

In the past welfare staff were not keen to do child protection work because staff were poorly paid, had very limited training available and had a poor career structure. Protective workers were generally new graduates with limited experience in child welfare. Vacancy and staff turnover rates were high and the standard of service available to children suffered considerably.

Initiatives that commenced in 1988 resulted in major improvements in these areas. A category review restructured employment within child protection, providing parity with other comparable professionals and a viable career structure. Links with tertiary facilities improved the attention and profile given to child protection in undergraduate courses.

In addition a comprehensive induction and in-training staff development program was established for protective staff. The budget for the total training calendar is currently $280 000.

New guidelines to establish supervision and support expectations for staff have been established, with 5 per cent of workers' available time reserved for staff development. A publication program has been implemented to maximise access to relevant material and maximise the professional standard of practice.

The impact of these initiatives has been marked — for example, vacancy levels for protective workers have been reduced from 28 per cent in July 1990, already an improvement on previous years, to 11 per cent in August 1991, despite the increases in available positions during the period. Staff turnover has reduced from 53 per cent a year in 1988 to 25 per cent in July of this year. Further improvements in staff retention and reduction of vacancy levels are expected in the future.

Child protection work is now a respected and sought after professional career choice.

This has ensured significant increases in the availability, continuity and standard of protective services available to children, young people and their families.

Family support

Child protection services have been progressively developed to reflect their appropriate role amongst the range of family support services.

With an emphasis on the minimum intervention necessary to protect the child or young person and the maximum use of alternative support structures, the use of court-based orders has changed significantly in recent years.

Since 1980-81 the numbers of children and young people placed on protective orders has been held constant, despite the increase in the population of the State during that period. The nature of orders that have been used has also changed. The use of supervision orders, which are a less intrusive option to guardianship orders — wardship — increased from 17 per cent of orders in 1985 to 37 per cent in 1990.

Current practice standards require protective staff to undertake all reasonable efforts to assist families to meet the needs of children prior to statutory intervention. Families are provided with direct support from field staff and wherever possible linked with appropriate local support services. By means of these strategies protective staff satisfactorily address the risk factors in approximately 60 per cent of substantiated abuse and neglect cases without requiring protection applications to be initiated at the Children's Court.

The Children and Young Persons Act formalises and strengthens procedures to ensure that protective intervention occurs only when other strategies are unable to protect the child.

The successful diversion of so many families from the court process has been assisted by this

government's commitment to family support services.

The current annual budget for this program is $10.7 million. This assists approximately 165 local government and community-based services to provide a range of support, mediation and counselling services providing invaluable support to more than 19 000 families each year.

Assistance available to vulnerable families is now being significantly extended with the introduction of new intensive family-based support services. These services target families where, in the absence of an intensive level of support within the family home, the child or young person would otherwise be removed.

Intensive family-based services established in the United States of America, several of which I recently visited, have proved very effective at supporting families and reducing the need for protective intervention. The service is currently operating on a pilot basis in the outer eastern metropolitan area, with a further six services to be established during the current financial year.

Redevelopment of residential services

Prior to 1990 the child welfare and young offenders services system in Victoria was largely centred around four metropolitan reception and holding institutions. Most children and young people who were subject to court proceedings were held at Allambie, Winlaton, Baltara or Turana.

My encouragement of a less centralised approach resulted in the closure of the Allambie Reception Centre in June 1990. This enabled the redistribution of resources to a new range of regional services:

small short-term residential units established in otherwise normal houses in the metropolitan area;

reception coordination units established at regional offices. Staff here maximise the use of foster care and other reception services and guarantee after hours access to reception services for protective interveners. Community Services Victoria provided 1800 children with reception services in 1989-90; and

placement support workers have been established in all regions to support children and young people within their own families wherever possible, or in local alternative placements where necessary.

The outcome of these changes will be that children deemed at risk will now be provided with regionally based services appropriate to their individually assessed needs.

The remaining Statewide centres — Baltara and Turana for males and Winlaton for females — presently provide reception care and secure welfare services in addition to their functions for young offenders.

Redevelopment of residential facilities

The development of alternative support services and the commitment of protective staff have achieved significant reductions in the use of the remaining central facilities.

The use of Winlaton has been reduced by 73 per cent since 1980, with a corresponding reduction of 65 per cent at Baltara and approximately 70 per cent at Turana for non-offenders.

Despite these improvements it is clearly not acceptable to have young people who are deemed to be at risk accommodated with those who have offended. My department is therefore in the process of completing the redevelopment of these centres. This reorganisation allows for the regionalisation of reception services for adolescents. The proposed closure of Baltara will allow the development of two small gender-specific secure units for young people subject to substantial and immediate risk, which will be established in community settings.

Winlaton has been redeveloped into Nunawading Youth Residential Centre and will become a youth residential and youth training centre for young offenders.

From February 1992 Turana Youth Training Centre will no longer be used to accommodate young men subject to protective intervention.

These developments have involved the relocation of some 350 staff and more than 300 children at a cost of some $30 million. That has been achieved within the existing budget and demonstrates value for money: a system which is more child, family and community-centred and which has contributed to the significant reforms to which I have referred.

Young people

The circumstances of young people with insufficient protection and support from their families have been well documented in reports on youth homelessness in recent years.

The initial report by Brian Burdekin of the Human Rights and Equal Opportunity Commission and subsequent reports prepared by the Salvation Army in Victoria have provided valuable information. They document the incidence of abuse and neglect in the family backgrounds of many young people. They have challenged government and the wider community to respond more effectively to the needs of these vulnerable young people. The commitment and responses to the challenges of youth homelessness have been documented elsewhere.

The government has noted, however, the implications of these reports for the role of protective services and has introduced a range of relevant initiatives.

Improved community education will assist with the identification of and response to abuse or neglect prior to the young person running away from home. New guidelines and staff training initiatives have been established for protective staff in working with young people and their families. Teams of specialist protective staff have been established within both my department and funded non-government agencies to provide a high standard of care and support for young people who are at risk in the community.

A strategy to improve the coordination of relevant government and community-based services for at-risk young people has also been initiated within each region.

Community education

Community education is an integral component of contemporary child protection services.

Effective community education has several functions: firstly, it ensures that the community is aware of the nature of abuse and neglect; secondly, it promotes the role of the community, agencies and professionals in supporting vulnerable families, children and young people to avoid the likelihood of abuse and neglect; and, thirdly, it assists child protection resources in being effectively targeted to children and young people in greatest need.

My department is undertaking an extensive community education campaign to address these aims.

Strategies to date have included developing extensive training and publicity materials for use with the medical and teaching professions, which are often those in first contact with children who have been abused and neglected.

Posters directed at the general public have been displayed in public transport and magazine-style information has been made available for young people.

The recent Child Protection Week promotion further increased the community's awareness of abuse and neglect and the role of protective services by systematic use of radio, television and print media and by community-based activities held in local shopping centres.

FUTURE DIRECTIONS

The accomplishments and policy directions established in recent years will be consolidated with the progressive implementation of the Children and Young Persons Act.

In the immediate future sexual abuse and the adequacy of services for the specific needs of young women will receive particular attention.

Sexual Abuse

Community Services Victoria has commissioned the first major research study in Victoria into community and professional attitudes towards child sexual abuse. The study will be completed later this year. However, preliminary findings released recently during Child Protection Week provided disturbing information regarding the incidence and reporting of sexual abuse of children in our community.

The study indicated that the community is aware of child sexual abuse and concerned about the harm it causes to victims. However, members of the community are reluctant to seek professional assistance. Only 29 per cent of people surveyed said they would report incidents of sexual abuse of children by a spouse or de facto and only 37 per cent said they would report the abuse if it were committed by a close relative, such as an aunt or uncle. All survey respondents believed, however,

that children were harmed emotionally or physically by sexual abuse.

With respect to incidence, about 31 per cent of people believed that at least one out of every four children is sometimes sexually abused. Another 34 per cent believed the rate to be one in ten. About 43 per cent of people claimed to know someone who was sexually abused as a child. However, only about 1200 reports of child sexual abuse reach CSV and the police each year.

Victoria has 1.3 million children under seventeen years of age. Preliminary survey results of community opinion indicate a general belief that about one in seven children has been sexually abused. If this is correct it means that every year in Victoria more than 10 000 children may be sexually abused, meaning that up to 9000 cases of abuse may go unreported.

As a result of the survey I have asked senior officers of my department to develop a strategy to respond to the incidence of incest in our community and improve the rate of reporting of this severe form of child abuse. In addition to the above initiatives I have committed funds totalling $200 000 to immediately expand existing treatment and support options for child victims of sexual abuse.

Young women

It is important to note that young women are disproportionately subject to various forms of harm such as sexual abuse within the family and that protective and related services have previously been unable to adequately respond to their needs for protection and appropriate support.

I have therefore initiated the development of a young women's policy for Community Services Victoria, which will identify a range of specific initiatives to improve the responsiveness of protective, residential, young offender and support services to their particular needs.

The Children and Young Persons Act 1989

Major provisions of the Act came into force on 23 September 1991. Some of the major practical changes for child protection include:

new grounds for child protection investigations;

strengthening the rights of children and their families relative to those who seek to intervene;

increasing accountability for decision making and service provision;

preserving and strengthening families, wherever possible;

actively promoting pluralist cultural values;

principles which promote the participation of children and parents to guide and inform decision-makers; and

ensuring that the level of intervention in the lives of children and their families is consistent with the harm in question.

These practical changes to the operation of child protection services can be summarised in terms of two key principles:

the safety of children; and

the integrity of the family.

All families experience difficulties in raising children. Some families deal with these difficulties better than others. The Act recognises this by requiring every effort to be made to retain the child within the family by preserving and strengthening families wherever possible, while ensuring the safety of the child.

These themes will change the way that child protection services are conducted. Identifying resources that can assist and strengthen the family are part of the changes. For example, support can often be provided by members of the extended family or by the provision of support from services such as family support services and neighbourhood houses within the local community.

In ensuring the safety of children the Children and Young Persons Act is the first legislative recognition of sexual abuse and harm to the physical development or health of the child as reasons for taking out a protection application.

So far as the safety of the child is concerned the requirements of the Act are to:

be clear that significant harm has occurred and that the parents have not protected the child;

ensure the safety of the child;

identify ways and means of maintaining or strengthening the family as far as possible; and

ensure that the child and parents have information about the protective investigation process.

The integrity of families is achieved by supporting families and keeping children at home. For those children who have to be removed from home for their own safety, both the child and his or her parents will be involved in decisions that affect their lives. To assist this process particular emphasis is given to the cultural identity of children. Child protection workers will also assist children and parents to understand what is happening, what decisions have to be made and how they can be involved in the decision-making process.

As a means of strengthening the position of children and parents they will have the right to seek reviews of case plan decisions made by the director-general and, if they are dissatisfied, to seek a further review of these decisions by the Administrative Appeals Tribunal. This review process will ensure an increased accountability when making decisions that affect the lives of children and their parents.

These legislative developments in statutory child protection services are designed to stop welfare drift — that is, the lack of clear and decisive decision making for children — and to ensure that wherever it is possible the safety of children is not at risk and that every effort will be made to maintain the parent-child relationship.

Children who commit offences pose particular problems for the community. The Act recognises that most children grow out of their offending behaviours and a sentence by the Children's Court can have the reverse effect to that intended as a result of the stigma experienced by the child.

Children often take more notice of significant people in their lives, such as parents, teachers, sports coaches, neighbours and friends. To remove children from these natural reference points in their lives and to place them with other young offenders may disrupt the correcting process that occurs through these natural reference points.

Minimum intervention is one theme in the Act for dealing with young offenders; the other theme is responsibility. The Act recognises that persistent and serious offenders will need to be dealt with. It achieves this through an increased range of sentencing orders, which provides flexibility to the court to use the least interventive sentence appropriate for the offence in question.

A further development in the Act is the decision not to use protection orders for young offenders, for example, guardianship. The use of protection orders for young offenders previously has had a number of problems:

wardship has been an indeterminate sentence for some young people as it could continue to eighteen years of age; and

wardship gives a confused message about their responsibility if they are given a protection order for an offence.

For these reasons the Act enables a sentence of detention to be given for ten to fourteen-year-olds, rather than wardship. Owing to the emphasis in the legislation on minimum intervention it is envisaged that only a small number of children in this age bracket would receive sentences of detention and only because of the seriousness of the offence.

The Act envisages cooperation between children, their families, supervision services, schools, other community provisions and services as the ideal way of dealing with juvenile offending. Provision is made, however, for sentences of detention where the safety of the community is at question.

These provisions in the Children and Young Persons Act achieve a major reform of statutory child protection and young offender services but they will require cooperation between government, non-government, community and families to ensure that they are implemented to benefit troubled children in the future.

Implementing the welfare-based service

The 1989 report by Justice Fogarty highlighted the benefits of a welfare-based child protection service.

The report recommended that the role of Community Services Victoria in providing child protection services be strengthened by a range of strategies that have subsequently been adopted.

The report concluded that the sharing of child protection responsibilities between my department and police had resulted in confusion and dislocation. Consistent with the recommended welfare-based approach, Justice Fogarty recommended that

Community Services Victoria assume full responsibility for child protection on a Statewide basis.

This policy is consistent with the approach adopted by other States and comparable developed countries. Police will retain a capacity to respond to circumstances of abuse and neglect in emergencies and where a criminal offence is believed to have occurred.

Funds were made available to enable Community Services Victoria to assume full responsibility for child protection in four regions during 1990. Services will be developed in the remaining nine regions during the current financial year to complete implementation of the welfare-based system. A total of $2.6 million has been provided to my department to enable this major reform to occur.

In his *One Year Later* report of August 1990, Justice Fogarty comments that:

> outstanding progress has been made in carrying out (those) recommendations and in improving to a proper level the protective service in this State.

The phasing out of the dual-track system is well on target. Many of the other recommendations of 1989 have now become a reality, including the Children at Risk Register and the 24-hour service. Program management and staff support, supervision and training have now reached a much more satisfactory level.

CONCLUSION

Clearly the government has demonstrated a commitment to establishing a high quality child protection service.

The reforms that have been initiated are comprehensive and systematic in addressing the range of policy, legislative and service design considerations required to establish an effective and well targeted service network.

The government has been prepared to respond to the demonstrated needs of particular client groups and work closely with the community in addressing these, as well as developing a coordinated and effective network of support services. It is important to recognise that the major reforms that have been achieved within protective services have been made possible by the commitment and professionalism of the protective services staff.

I am confident that we have now laid the groundwork, through the proclamation of the Children and Young Persons Act, for the establishment of a strong, welfare-based child protection service and the introduction of intensive family-based services that will ensure that Victoria will have one of the most effective child welfare and protective services in the country. Social and economic pressures on families during the 1990s could increase the risk of abuse and neglect of children. However, my government's initiatives, as outlined in this statement, will ensure the greatest possible level of safety for Victorian children as we move into the 1990s and set a benchmark for other Australian States and Territories.

By leave, I move:

> That this House takes note of the Ministerial statement.

Mr JOHN (Bendigo East) — A couple of days ago serious allegations of ritualistic satanic child abuse were raised in a Channel 10 television report. These allegations directly related to the matters raised in the Ministerial statement.

During question time this morning the Minister for Community Services was critical of me for not asking a question about the allegations raised in the Channel 10 report. The Minister's criticisms this morning illustrate a double standard approach to this question. Every time I have raised similar questions in the past the Minister has criticised me for inhibiting police investigations in some way, so she is inconsistent in her approach. You are damned if you do and damned if you don't!

The real question is: how is it that the Minister was not aware of the allegations raised on the Channel 10 report if, as she says, they are so serious as to warrant police investigation?

The Ministerial statement states that 500 people are employed in child protection within Community Services Victoria. With such a vast army of people working in the field how is it that a handful of television journalists can stumble across these serious State and even nationwide ritualistic abuses?

The Minister also points out in her Ministerial statement that some 30 people are employed in the out-of-hours child protection service. I should think, unless there is some other explanation, that a lot of child abuse would occur in the evenings, during the night and at weekends. Indeed it would not surprise me if more child abuse occurred out of hours than

between 9 a.m. and 5 p.m. Therefore it seems strange on the face of it, unless there is some other explanation, that only 30 people are employed in the out-of-hours service out of the 500 people who are employed in the whole area of child protection.

There are a number of matters in the Ministerial statement with which the coalition concurs and which it supports. We support the principle of focusing attention on the needs of the child and the integrity of the family. The Minister spelt that out in her statement and we thoroughly support and agree with that commitment.

We support the emphasis on counselling and early identification of difficulties with families and children. We support the single-track system for child protection, with the child protection service of Community Services Victoria conducting the single track. We agree that the role of the police is to investigate and, where appropriate, prosecute in cases of abuse or neglect or where a criminal offence is likely to be involved. The coalition supports the general thrust of the Children and Young Persons Act 1989.

However much of the Minister's statement is rhetoric. Much of it is the propaganda for which this government has been notorious, and much of it has been said before.

The Minister paints a rosy picture of how matters in child protection are being solved in Victoria. Of course the real picture is far different. The real picture is one of massive youth unemployment, more families and more children below the poverty line than ever before, and more homeless children than when the government first came to office. There has been a development of a propaganda ethos which all started with the promotion of the social justice strategy in the early 1980s, a social justice strategy that I submit has failed. The government has raised the expectations of Victorians and failed to deliver on the rhetoric.

Over the years there has been launch after launch, glossy publication after glossy publication, public relations gimmicks and a flood of public relations booklets reminiscent of George Orwell's *Ministry of Truth*. There has been a lot of talk but not much action, and that is of concern particularly where the welfare of children is concerned.

What are the hallmarks of this government? It started with the Victorian Economic Development Corporation and then WorkCare. Of course the ultimate debacle was the loss of State Bank Victoria.

The worst contribution of the government — and it stands condemned for this — is its total mismanagement of the State's finances and economy, which has resulted in the trauma and disaster faced by so many business people, employees and families, but especially our young people. Even a senior Federal Minister has recently acknowledged the special circumstances, as he calls them, in Victoria, which has had such an incompetent government.

Victoria's problems are far worse than they ought to be. Certainly there is a world recession and there are problems with other countries dumping products, but Victoria has led the Australian States into this recession and it should have been faring much better.

The fundamental flaw in the Ministerial statement concerns the fact that there are more children and young people at risk in our community now than when the government came to office in 1982, and that is precisely because of the government's failed economic policies.

The SPEAKER — Order! I understand the point the honourable member is trying to make but I suggest that, having made that point, he return to the Ministerial statement.

Mr JOHN — There are more unemployed people, more homeless people, more young people in poverty and more people at risk precisely because of the breakdown of families as a result of the economic and financial pressures put on them. These are the burning embers of this government.

The welfare of young people is intrinsically bound up with the welfare of the private sector of our economy; one cannot deliver good, adequate protective services for young people if the economic fundamentals are not right. One cannot properly look after people in need, especially young people in need, if one does not have a healthy and prosperous economy where the government has things in order. That has not happened with the present government.

There are some very important results of the economic situation in which we find ourselves.

The SPEAKER — Order! I have already provided some guidance and direction to the honourable member. I suggest he heed it.

Mr JOHN — Thank you, Mr Speaker. I accept your ruling. Three recent issues highlight problems with child-care services in this State. They are, firstly, the threat by the Children's Welfare Association of Victoria to hand the responsibility for the residential services for young people back to the government unless further funding is provided; secondly, foster care reimbursements for foster parents who care for young people; and, thirdly, the proclamation of the additional provisions of the Children and Young Persons Act to which the Minister referred in her statement.

The threat by the non-government agencies to hand residential services back to the government is a very serious one. I know that a report exists which the Minister has examined in some detail, and I believe the Minister accepts the costings in that report in respect of the care of young children in the residential facilities of these non-government agencies.

The devastating aspect of it is that the Minister has been requested to provide some $11 million to prevent the non-government sector returning the responsibility for the services to the government. Therefore it is a matter of serious concern which is not addressed in the statement but which ought to be addressed because it directly relates to the issues raised in the statement.

The Minister has recently increased the reimbursements to foster parents by between 4 and 14 per cent, and I certainly support that. It will go some way towards redressing what I believe was a serious omission, in that foster care parents' reimbursements were inadequate to enable them to care for the children in their control.

The proclamation of further provisions of the Children and Young Persons Act on 23 September which was referred to in the Ministerial statement is certainly welcomed by the coalition. It welcomes the fact that most of the important provisions of that legislation are now in place. However the coalition is critical of the government's failure to provide adequate support and training for the care-givers who are expected to perform the important roles under that legislation. Sooner rather than later we will have a tragedy on our hands in terms of child protection in Victoria if the government does not provide the necessary support and training for care-givers.

Under the newly proclaimed sections of the Children and Young Persons Act the foster parents are expected to care for statutory clients and children with risky behaviour as a first priority. Some of the non-government agencies are having difficulty in accepting difficult cases because of the lack of resources to which I referred earlier.

Allied to this problem of child protection and child-care is the fact that there is no holding centre outside Melbourne to make assessments of young people who are placed with foster families or care-givers.

A young person must be picked up from a police station by a CSV child protection officer in a provincial city or a country town but the officer will have little opportunity to obtain background information on the young person to be able to make a choice about whether to leave the young person at the police station or to place him or her with a care-giver within the community. I am informed that workers in provincial cities and country towns are concerned that there is no secure place where these young people can be held so that a proper assessment can be carried out before they are placed with care-givers and that leads to inappropriate placements. If it is allowed to continue I believe tragedy could result.

The government must examine appropriate methods of placing young people with non-government agencies and of providing adequate funding. There is a need for improved training of care-givers and for a small secure holding place for the assessment of young people in provincial cities and country Victoria.

The issue of child abuse was referred to in the Minister's statement. The statistics are vaguely expressed in the statement. On page 9 it says:

> ... about 31 per cent of people believed ...

And on the next line:

> Another 34 per cent believed ...

And on the next line it says:

> About 43 per cent of people claimed to know ...

The government should give high priority to pursuing with vigour the improvement of statistics and analysis of statistics so that accurate information is obtained on child abuse in Victoria. Recently I was briefed by the Victorian Society for Prevention of Abuse and Neglect (VicSpan), which is an important

agency working in the field of protecting children from abuse. The organisation pointed out that about 3 per cent of abused children under six years of age had venereal diseases and 60 to 80 per cent of adults who abused young children were abused themselves. The cycle continues and it is a cycle we must break. The organisation pointed out that the 1988-89 figures were the most recent they were able to produce and they showed that five children had died at the Royal Children's Hospital. The organisation said that, of the 260 children that were admitted, 104 were sexually abused — often by their own fathers. I cannot vouch for those statistics that were provided by VicSpan, but they are deeply disturbing. I know the Minister is concerned about statistics of that kind and I believe she should be pursuing with vigour better methods of statistical analysis so that accurate information is available on which to make decisions and policies.

One of the most disturbing and distressing issues that the community faces is youth homelessness. It is an indictment of our community that thousands of Victorian children lead a life of despair and homelessness. A lot of work has been done in this area by the Salvation Army. In 1990 the Salvation Army produced a report, *Unfinished Business*, in which it estimated that there were approximately 2500 street kids in Melbourne. Brian Burdekin, the Federal Human Rights Commissioner, believes the number has substantially increased.

Despite all its rhetoric, the government has no Statewide coordinated strategy to deal with this important issue in our society. The report of the Salvation Army was particularly critical of the government. The report says that a total of $10 million was allocated by the Department of Planning and Housing for the youth initiative scheme, following the release of the Burdekin report in 1989. It says that of this $10 million a sum of $5 million was allocated to the scheme in 1985, but in 1985 only $1.6 million was spent. The report says:

> It is recommended that there be increased provision, through the Victorian Youth Guarantee, of supported employment access programs for unsupported young people.
>
> Identified Response: To date we are unable to identify a response.

When one considers that report one must come to the conclusion that the government's response to date has been inadequate. The Salvation Army found that CSV had a part to play in youth homelessness, as more than 70 per cent of the State's homeless young people were either currently or formerly wards of the State or were under some other kind of State protection or supervision order. This is an indictment of the Victorian government's policies because individuals under its care are forced to live on the streets.

I shall comment briefly on youth training centres which the Minister referred to in her statement. Recently I received information from a senior police officer who provided me with figures for the past twelve months on escapes from youth training centres. He pointed out that 194 persons had escaped during that period and when he took a sample of those escapees he found that 106 escapees had committed a total of 1083 offences while they were free; 65.8 per cent were given concurrent sentences after they were apprehended; 9.7 per cent were given bonds or fines; and 13.7 per cent were given cumulative sentences.

It is of great concern that our system allows young people who are supposed to be secured in youth training centres to abscond so readily and take up so much of the time of the police while they are on the run. The government must look at an improved selection process for placing young people in youth training centres. No-one wishes to place these people behind bars but dangerous young criminals should be securely housed to protect the community and the other residents at youth training centres. It is disappointing for the police to do so much work and then have to do more work to recapture escapees from these facilities.

I refer now to the increased numbers of staff employed at CSV. The statistics contained in the annual reports of CSV since 1982 reveal that in 1982-83 there were 3109 people employed full-time and now there are approximately 8000. There has been a gradual increase each year with the exception of last year. While employment has increased nearly threefold, services have not so increased. Most people would say the services have not improved at all but the evidence points to more children and youth at risk because of unemployment and families below the poverty line, yet the number of those employed to work with them at CSV has increased nearly three times.

The government has failed to deliver on its rhetoric. The Minister's statement glosses over the failures of the government to provide for young people in need. We support programs that assist individual families, especially at an early stage. With early

support and intervention we certainly support a coordinated interdepartmental approach to the problem.

If social equity is to be provided, it is essential that the economic fundamentals are right. The coalition wants to provide a compassionate, equitable society where people have maximum opportunity and where there is limited State interference and minimal government interference, except to provide a safety net for people in real and genuine need.

Motion agreed to.

ROAD SAFETY (FURTHER AMENDMENT) BILL

Second reading

Mr ROPER (Treasurer) — I move:

That this Bill be now read a second time.

As honourable members can see from clause 1, the Bill has five main purposes. By far the most important of these is the introduction of zero blood alcohol concentration (BAC) for drivers or persons in charge of large vehicles to make Victoria's roads safer.

Victoria is committed to the introduction of this measure as part of a package designed to enhance heavy vehicle safety.

These requirements are being adopted because of:

The much higher volume of road travel of commercial drivers;

the danger of even low levels of alcohol combined with fatigue, particularly on long trips; and

the more serious consequences of collisions involving larger vehicles and those carrying many passengers.

The zero BAC requirement will apply to drivers of trucks with a gross vehicle mass exceeding 15 tonnes and of buses with a seating capacity of more than twelve adults, including the driver.

The Bill also puts in place another element of the heavy vehicle package in requiring drivers of those vehicles to carry their licences at all times while driving or in charge of the vehicles.

That will aid the enforcement of measures which are being carried out under the regulations, namely, the national introduction of the policy of allowing a driver to have only one licence. A regulatory impact statement is being released for public comment on this matter.

This will improve the identification of offending drivers and ensure that disqualified drivers are not able to operate on another State's licence. It will also ensure that all demerit points are recorded against the single licence so that bad drivers are removed sooner from Victoria's and Australia's roads.

The remainder of the Bill deals mainly with amendments of a consequential nature, the need for which has come to light in practice. For example, in introducing the Road Safety (Amendment) Bill the government stated that a person convicted of a drink-driving offence involving a BAC reading of 0.1 or above, in the case of a first offence, or any subsequent drink-driving offence, would be relicensed only on probation and kept to zero BAC for the probation period.

These are the levels of offences for which a court order must be obtained before the person can again obtain a licence, regardless of whether the person lost the licence under the present Act or under the previous Act.

The intention of the 1990 amendment is therefore expressed much more clearly and simply by saying, in effect, that if a licence restoration order has been made in respect of a person the licence must be on probation. Another provision in this category deals with the consequences of licence suspension or cancellation.

The Road Safety Act provides that a licence cancelled or suspended by a court is of no effect and that a person disqualified by a court must not apply for a licence during the disqualification period. However, there is no similar provision where the cancellation or suspension is not by a court, for example if it occurs as a result of the licence loss infringement notice provisions. The Bill overcomes this omission.

Two other measures relate to detection and prosecution procedures for drink-driving offences. The first of these is the abolition of the offence of failing to undergo a preliminary breath test while still retaining the offence of refusing to undergo such a test. People have claimed that they fully cooperated with the police request but for some

reason they were unable to "exhale continuously to the satisfaction of the member".

In such cases it is normal police practice to discontinue the preliminary test and take the person to a breathalyser, or, if the person's doctor objects to breath testing on medical grounds, a blood sample is taken. In those circumstances the police agree that it is unnecessary to have an offence of failing a preliminary test.

The other matter is the extension from 7 to 28 days of the period of notice which must be given to the police before the hearing of proceedings for an alcohol-related offence if the person wishes to contest the breathalyser operator's certificate.

Under the mention court system which now operates, this extension is not expected to impose an undue burden on individuals. In addition it will greatly improve the efficiency of police breathalyser operations. Courts will have power to alter the period in appropriate cases.

The Bill also gives the courts power in exceptional cases to lessen the requirement that a person convicted of a serious drink-driving offence who makes a licence restoration application must have a report at least twelve months old about his or her alcohol usage, as well as a more recent one.

Finally, the Bill makes it clear that a person released on a bond for a first drink-driving offence is to be treated as a second offender if he or she reoffends.

In summary, the Bill represents a further significant step in the creation of national uniform road laws and improving road safety in Victoria. In particular it will improve the safety of large vehicles for the benefit of all road users and the drivers themselves.

I commend the Bill to the House.

Debate adjourned on motion of Mr COOPER (Mornington).

Debate adjourned until Wednesday, 13 November.

NATIONAL RAIL CORPORATION (VICTORIA) BILL

Second reading

Mr SPYKER (Minister for Transport) — I move:

That this Bill be now read a second time.

It gives me great pleasure to introduce this critical Bill on behalf of the government. The Bill, in conjunction with similar complementary legislation which has been or will be introduced into the Commonwealth Parliament and the Parliaments of New South Wales and Western Australia, will facilitate the establishment and operation of the National Rail Corporation (NRC). As the House will be aware, the creation of the NRC will ensure micro-economic reform in the rail freight industry of Victoria and the nation. Accordingly, the importance of the Bill cannot be overstated.

BACKGROUND TO THE DEVELOPMENT OF THE NRC

The NRC has been in development for several years. The initial proposal for a national rail freight business began in October 1989 with the creation of a National Rail Freight Initiative Committee. This committee consisted of representatives of the five government-owned railways, the Australian Council of Trade Unions, Broken Hill Proprietary Co. Ltd, TNT Ltd, Mayne Nickless Ltd and Brambles, with Mr Ted Butcher representing the Federal Minister for Land Transport.

The committee presented its report in July 1990 based on a consultant's report prepared by Booz, Allen and Hamilton in conjunction with Travers Morgan Pty Ltd. This report of the committee recommended the establishment of a National Rail Corporation. The NRC was always to operate as a public company, not as a statutory corporation or authority.

INTERGOVERNMENTAL COOPERATIVE ARRANGEMENTS FOR ESTABLISHING THE NRC

In September 1990 the transport Ministers of the Commonwealth and the States met and agreed to establish an independent task force to develop for governments — as potential shareholders in the proposed corporation — detailed proposals and recommendations on a wide range of issues relevant to establishing a fully commercial NRC.

The seven-member task force with a representative from each of the Commonwealth, New South Wales, Victoria, Queensland, Western Australia, the ACTU and, at a later stage, South Australia, commenced its investigation in October 1990.

To support the work of the task force, at the special Premiers Conference held on 30 and 31 October 1990 in Brisbane, the Prime Minister, the Premiers and the

Chief Ministers of the Australian Capital Territory and the Northern Territory signed a heads of agreement which identified eight broad conditions as being essential to the NRC.

This document stipulated that the NRC:

be established and operate on a strictly commercial basis with a financially viable corporate plan;

have access to existing rail system assets necessary to achieve commercial viability;

negotiate a "clean sheet" enterprise agreement with rail unions;

be subject to the Commonwealth Trade Practices Act 1974;

operate after an agreed transition period on performance contracts with rail authorities based on "world standard cost" levels;

would not disadvantage the financial position of rail systems interstate freight operations during the transition period;

be able to tender on a commercial basis for carriage of business other than interstate rail freight; and

be subject to institutional and operating arrangements which facilitate the most efficient cost structure for operations which will encourage competition for services between public sector and private sector providers.

The national rail freight initiative task force met almost continuously from October 1990 to March 1991 when a report was presented to transport Ministers. The report was supported by those Ministers. They decided to set up a committee of officers to translate the report into a shareholders' agreement and to establish a memorandum and articles of association for the NRC.

In addition officers were requested to advise transport Ministers prior to the special Premiers Conference on 30 July 1991 on the financial support for the corporation to be required of the individual shareholders.

Victoria participated actively in the development of the shareholders' agreement and the invaluable contributions of officers of the Ministry of Transport, the Public Transport Corporation, the departments of the Premier and Cabinet and the Treasury, the Ministry of Finance and the Victorian Government Solicitor's Office in developing the shareholders' agreement and the memorandum and articles of association for the NRC are acknowledged. The shareholders' agreement is reproduced in Schedule 1 to the Bill, while the memorandum and articles are readily available publicly.

The creation of the NRC fulfils the objectives of the studies into the desirability and viability of what was initially called the National Rail Freight Corporation. It is to be noted that the word "freight" no longer forms part of the name of the corporation. This omission was made during the development of the shareholders' agreement and clarifies the company's ability to undertake other business if agreed by the shareholders. However, such business should only be undertaken if it is to the commercial advantage of the NRC. In other words, the corporation will not undertake business as community service obligations unless it is specifically funded for those obligations.

FINAL APPROVAL OF THE ESTABLISHMENT OF THE CORPORATION AND THE NEED FOR LEGISLATION

At the special Premiers Conference held on 30 July 1991 the shareholders' agreement and the memorandum and articles of the NRC were approved by the four originating shareholder governments and Queensland as a supporting government. At that conference, the governments of the Commonwealth of Australia, New South Wales, Victoria and Western Australia agreed to become equity shareholders in the NRC. The government of Queensland signed the shareholders' agreement as a non-equity shareholder, pledging to support the corporation in its operations and establishment. The government of South Australia did not sign the agreement and has indicated it will monitor the progress of the corporation and resolve bilateral issues between itself and the Commonwealth government over the 1974 Railways of Australia legislation before deciding whether to join the corporation either as a shareholder or as a supporting State.

The need for Victoria to pass legislation to facilitate the establishment of the NRC arises directly out of obligations specified in the shareholders' agreement. In this context I draw the attention of the House to Part III of the agreement.

The Bill before the House provides for Victoria to fulfil its obligations under the agreement to facilitate the establishment and operation of the NRC. Put simply, appropriate legislation is essential if the NRC is to operate in Victoria in accordance with the agreement.

WHAT DOES THE BILL PROVIDE?

In addition to approving the shareholders' agreement and providing for it to be given effect, the Bill addresses five critical aspects of the agreement which require supporting legislation. These are:

1. Victoria commits itself to $35.1 million cash equity funding of the NRC to 1996-97 as provided in part VI of the shareholders' agreement. This commitment is provided in clause 6(2) of the Bill. The commitment to cash equity funding is necessary to ensure that the debt-to-equity ratio of the company is maintained at a reasonable and sustainable level as agreed by the shareholders.

In addition to the cash equity, Victoria agrees to underwrite loss-making businesses the NRC takes over from the State.

The maximum period for which underwriting can be required is five years. The NRC commercial model developed by the task force and the shareholders' agreement support three-year underwriting being anticipated. This planned deficit support will reduce over the period.

Should the company not perform as advised, the agreement provides that during the total five-year establishment period the State has an obligation to underwrite unanticipated losses of the NRC up to the level of 13 per cent of such losses. This is of significant advantage to the Public Transport Corporation (PTC) as it has been independently assessed to bring 20 per cent of the intersystem rail freight losses to the company.

2. The Bill provides, in accordance with strict procedures, for the referral to the Commonwealth of the ability of the NRC, which is a company in which the Commonwealth will hold shares, to undertake intrastate rail services. It is to be noted that any intrastate business can only be undertaken with Ministerial consent.

3. The transfer of rail freight assets to the corporation is also provided for in the Bill. Transfer may be by way of vesting in return for share equity or by lease or licence in return for share equity. The transfer value of the assets is another means by which the State can obtain equity in the NRC. Ultimately, the assets required to be transferred to the NRC will be those identified by the company as appropriate to its business. Transfer will be a matter to be negotiated between the corporation and the PTC. However, assets cannot be withheld from the NRC. They must be transferred or provided to the NRC under a contractual arrangement.

4. Land currently used or available for use by the PTC for railway purposes is an asset which may be sought by the NRC. For the most part the land identified in the Bill is used for terminal operations. If it is appropriate, the Bill enables this land to be vested in the NRC. Alternatively, the land and other appropriate areas of land such as that in route corridors could be leased or licensed to the NRC.

As in the case of rail freight assets transferred, the transfer of land to the NRC may be necessary to enable the company to undertake its upgrading investment programs. If land is not transferred by way of vesting or by long-term lease, the NRC may be unwilling to invest in the necessary improvement and upgrading of those areas critical to the long-term commercial viability of the corporation.

5. Consistent with the requirement for the NRC to operate in a strictly commercial manner, the company is compelled by the Bill to pay State stamp duty and other charges or fees in relation to assets transferred to it.

CONSTITUTION ACT 1975 — SECTION 85(5) STATEMENT

I make the following statement under section 85(5) of the Constitution Act 1975 of the reasons why the Bill alters or varies that section.

1. Clause 13 of the Bill provides that it is the intention of that clause to alter or vary section 85 of the Constitution Act to the extent necessary to prevent the bringing before the Supreme Court of an action of a kind referred to in clause 10(4) and to prevent the Supreme Court from awarding compensation in respect of anything done or arising out of clause 11.

2. Clause 10(4) of the Bill provides that the operation of clause 10 is not to be regarded as giving rise to any cause of action against the State,

the Minister, the Public Transport Corporation or any other person. Clause 11(6) of the Bill provides that no compensation is payable by the Crown, the Public Transport Corporation or the National Rail Corporation in respect of anything done under or arising out of clause 11.

3. The Bill:

(a) provides for the transfer of rail freight assets to the National Rail Corporation and prevents the bringing of actions against the State, the Minister, the Public Transport Corporation or any other person that may otherwise arise as a result of the transfer;

(b) provides for the transfer (by vesting and grant) of land to the National Rail Corporation and the Public Transport Corporation and in connection with the transfer, extinguishes certain easements and covenants, removes a caveat and closes part of a road.

4. The reasons for preventing the Supreme Court from having the actions referred to brought before it and for preventing the Supreme Court from awarding compensation are as follows:

(a) for the transfer of rail freight assets to be effective it is necessary to prevent actions being brought by any other persons interested in those assets against the transferors;

(b) the bringing of actions for compensation in respect of land transactions connected with the transfer of assets to the National Rail Corporation might impede or frustrate the whole arrangement which is an arrangement beneficial to the community as a whole.

OPERATION OF THE CORPORATION

As a shareholder, the State of Victoria will be able to influence the direction and strategies undertaken by the National Rail Corporation. However, the corporation will be managed by an independent board of directors under the corporations law which has duties and obligations to the company for its decisions. Despite the Bill before the House, it must be recognised that major managerial decisions governing the operation of the company will be taken by the corporation itself. For example, operating efficiencies must be implemented to ensure the corporation undertakes best-practice operating standards. It is to be noted that in the report of the task force operating efficiencies of 35 per cent on average have been targeted.

In addition to these operating efficiencies a capital replenishment program of $1.7 billion is proposed by the company. The major part of this investment will be funded by debt raised in the market on commercial terms by the company. The equity commitment by the shareholders, including Victoria, is anticipated to be 35 per cent of total capital requirements.

CONCLUSION

The NRC is a major and historic initiative in the delivery of rail freight services in Australia. It will introduce commercial practices into the operation of railways in Australia and will provide good models for government-run railway systems. Overall, it is a critical micro-economic reform initiative. Government-run railways will be expected to improve their performance in order to compete with the NRC for staff and for service delivery. Victoria's intrastate rail businesses will benefit from the creation of the National Rail Corporation and the models for business it identifies. The State and national economies will also benefit from its establishment and this is a prime reason for the bipartisan support which the concept has attracted.

I commend the Bill to the House.

Debate adjourned on motion of Mr PESCOTT (Bennettswood).

Debate adjourned until Wednesday, 13 November.

BORROWING AND INVESTMENT POWERS (PORT AUTHORITIES) BILL

Second reading

Mr ROPER (Treasurer) — I move:

That this Bill be now read a second time.

The Borrowing and Investment Powers Act 1987 was enacted to provide modern borrowing, investment and financial management powers to selected statutory authorities and superannuation funds.

The Borrowing and Investment Powers Act sets out a series of borrowing and investment powers and powers which enable authorities and

superannuation funds to manage their assets and liabilities. The schedules to the Act operate to allocate specific powers to authorities and superannuation funds which are consistent with the scope of the activities of the authorities and the superannuation funds.

The Borrowing and Investment Powers Act, when coupled with debt management guidelines and investment management guidelines established by the government, enables authorities and superannuation funds to make day-to-day borrowing, investment and asset and liability management decisions within a framework which ensures that exposure to financial market risks is kept to acceptable levels.

The authorities included in the original legislation were those considered to be urgently in need of improvements to their financial powers. It was recognised that other authorities would be included within the framework of the Borrowing and Investment Powers Act in later sessions of Parliament.

The Port of Geelong Authority, Port of Melbourne Authority and Port of Portland Authority, which I shall refer to as the "port authorities", will, as a result of this legislation, be able to obtain short and long-term financial accommodation within Australia, to enter into financial leases, financial arrangements and to invest in accordance with the approvals and controls contained in the Borrowing and Investment Powers Act.

These port authorities are larger scale bodies with debt or investment portfolios appropriate for management under the Act. The Port of Melbourne Authority, while having nil or insignificant new borrowings in the past three years, has had to refinance a large amount of its debt and currently has debt totalling approximately $280 million. The Port of Portland Authority has a total debt of $25.8 million.

Although the Port of Geelong Authority has negligible debt at present, it would be appropriate for its powers to be consistent with the other port authorities. This would facilitate any borrowings it does make in the future being cost effective and enable it to invest funds held under its legislation in accordance with the Borrowing and Investment Powers Act.

The Port of Geelong Authority provides an efficient, cost effective and well-managed service for the benefit of the users of the Port of Geelong. It forms an integral part of the State's transport network and its high level of commercial performance continues to make a significant contribution to the trade and economy of this State.

The extension of the Borrowing and Investment Powers Act to these authorities will provide them with broader financial powers and enable them to use financial arrangements to reduce exposure to higher costs from unfavourable interest rates and thereby manage their debt portfolios prudently and cost effectively. The investment powers under the Borrowing and Investment Powers Act will enable them to enter into transactions or arrangements for the protection or enhancement of their investments.

The amendments contained in the Bill will replace the powers of the port authorities to obtain financial accommodation under their own Acts with powers, subject to the approval of the Treasurer, to obtain overdraft, short and long-term financial accommodation within Australia under sections 5, 6 and 8 of the Borrowing and Investment Powers Act 1987 and the power, subject to the Treasurer's approval, to enter financial leases and arrangements under sections 10 and 11 of that Act.

The Bill contains similar provisions to those inserted in relation to authorities in amendments to the Borrowing and Investment Powers Act earlier this year to provide that counter parties to transactions with the port authorities can, provided they have acted in good faith, still enforce a transaction which was not or may not have been entered into for authorised purposes.

The guarantees of financial accommodation existing under the legislation for the authorities will be replaced by a guarantee under section 13 of the Borrowing and Investment Powers Act and there will be a discretionary power for a Treasurer's guarantee to be given in relation to financial accommodation and arrangements under sections 14 and 15 of the Borrowing and Investment Powers Act. Sections 20 and 21 of the Borrowing and Investment Powers Act will apply with regard to investment powers, subject to any necessary approvals of the Treasurer and the Governor in Council and replace any existing investment powers of the port authorities.

Consequential changes to the Port of Geelong Authority Act 1958, the Port of Melbourne Authority Act 1958 and the Port of Portland Authority Act 1958 are provided for in clauses 11 to 16. These clauses

provide that financial accommodation obtained under the Borrowing and Investment Powers Act will be able to be secured on the revenues or assets of a port authority or in a manner approved by the Treasurer. Provision is made for the issue of debentures and stock to take place under and in accordance with the Borrowing and Investment Powers Act. The application of provisions in the port authority Acts which relate to status of existing stock or debentures already issued under the Acts for each port authority will be retained. Provisions in relation to sinking funds will be modified to apply to the retirement of financial accommodation under the Borrowing and Investment Powers Act as well as debt created under the Acts for each port authority.

Finally, I would emphasise that the Bill makes no change to the existing borrowing limits as specified in the Acts for the Port of Geelong Authority and the Port of Portland Authority. Thus, clause 6 of the Bill amends section 11A in the Borrowing and Investment Powers Act to retain the limits in respect of financial accommodation for these authorities, which in the case of the Port of Geelong Authority are $25 million and in the case of the Port of Portland Authority are $50 million. Clause 7 of the Bill provides for the insertion of section 11B to retain existing statutory limits in respect of borrowings by way of overdraft — in the case of the Port of Geelong Authority $2 million, in the case of the Port of Melbourne Authority $8 million and, in the case of the Port of Portland Authority, such sum as is fixed for the time being by the Treasurer.

With regard to the Port of Melbourne Authority, section 120 of the Port of Melbourne Authority Act presently enables borrowings, subject to Governor in Council approval, secured on the assets and revenue of the authority, not exceeding $220 million; while section 133A of the Port of Melbourne Authority Act 1958 imposes no limit on financial accommodation secured or arranged in such manner and for such period as is approved by the Treasurer in each particular case.

In accordance with the legislative precedent established at the time the Borrowing and Investment Powers Act was introduced, it is proposed to establish a statutory limit in respect of financial accommodation obtainable by the port of Melbourne under the Borrowing and Investment Powers Act, notwithstanding that any borrowings are subject to the Treasurer's approval and that no limit on borrowings previously existed under section 133A of the authority's own legislation. This level has been fixed at $375 million to ensure coverage of existing debt levels and any future borrowings.

In conclusion, the changes incorporated in this Bill will enable the authorities to manage their debt and investment portfolios more prudently and cost effectively within the framework of the Borrowing and Investment Powers Act.

I commend the Bill to the House.

Debate adjourned on motion of Mrs WADE (Kew).

Debate adjourned until Wednesday, 13 November.

CRIMES (YEAR AND A DAY RULE) BILL

Second reading

Debate resumed from 10 October; motion of Mr KENNAN (Attorney-General).

Mrs WADE (Kew) — This is the second time this year that the provisions contained in this Bill have been before the House. Last session the Attorney-General introduced the Crimes Legislation (Miscellaneous Amendments) Bill (No. 2), one of the purposes of which was to remove the sunset provisions applying to the blood samples legislation. The Bill also contained provisions pertaining to the year-and-a-day rule.

Unfortunately the Attorney-General introduced the Bill only a few weeks before the provisions relating to the taking of blood samples were required to come into effect. Parliament was given only three weeks to consider the new provisions, which were significantly different from the provisions that were the subject of the sunset clause and so required careful examination. The House was also asked to deal with the provisions concerning the abolition of the year-and-a-day rule in this time frame.

The issue was complicated by the failure of both the Victoria Police and the Attorney-General's Department to appreciate that because they were not complying with time limits that had been included in the Magistrates' Courts Act, an unspecified but large number of persons who had been charged with serious offences were likely to go free without being tried. Retrospective provisions ere included in the Bill by amendment to overcome this problem.

A combination of the mixture of provisions contained in the Crimes Legislation (Miscellaneous Amendments) Bill (No. 2) and the short time in

which the Attorney-General expected the House to consider them meant that, although the other provisions were agreed to, the provisions concerning the abolition of the year-and-a-day rule were not agreed to by the other place, and the Attorney-General was invited to reintroduce the measure after he had had more time to consider it. In response to the opposition's suggestions, the Attorney-General has introduced the Crimes (Year and a Day Rule) Bill, which deals only with the abolition of the rule. But he has repeated his earlier mistake by insisting that the coalition be in a position to debate the Bill only two and a half weeks after its second reading. Because he has refused our request for more time, we have been unable to obtain responses on the Bill from interested parties such as the Law Institute of Victoria and the Victorian Bar Council, both of whom are examining and have expressed an interest in the provisions of the Bill.

The coalition has been led by the Attorney-General to believe that the Law Reform Commission's report on homicide covered the issues raised in the Bill, but that report is not available.

In his second-reading speech the Attorney-General gave reasons different from those he used when the Crimes Legislation (Miscellaneous Amendments) Bill (No. 2) was introduced when arguing for the abolition of the year-and-a-day rule, and to illustrate my point I shall refer to the two second-reading speeches. Both speeches contain references to the problems associated with prosecuting people who deliberately attack others in a way that is likely to cause the person attacked to become infected with a fatal virus. In his second-reading speech on the Crimes Legislation (Miscellaneous Amendments) Bill (No. 2) the Attorney-General is reported in *Hansard* of 7 May 1991 as saying:

> One illustration of the inadequacy of the rule is the case of the deliberate infection of a person with the AIDS virus. An offender may attack another with a syringe that contains infected blood. As it takes an average of ten years for a person to develop AIDS and as the person may live for some time after this occurs, the year-and-a-day rule currently operates to prevent an offender from prosecution for murder.

He said that the abolition of the rule would enable a prosecution to be made in such a case. That was the extent of his comments on AIDS earlier this year.

In his second-reading speech on the Crimes (Year and a Day Rule) Bill, the Attorney-General repeated those words, but added:

> These comments should not be taken to mean that it would be appropriate to prosecute every person for murder who may infect another with a virus that results in death. For example, the health department has developed a comprehensive policy in conjunction with the Commonwealth to prevent the spread of the HIV virus. This policy is based on the view that transmission of the HIV virus is preventable through changes in individual behaviour, and that education and prevention programs are the primary mechanisms for bringing about such changes. The role of the criminal law is to complement such measures. Where the infection of another with a potentially fatal virus is deliberate, and the victim subsequently dies, a prosecution for murder may be appropriate in some circumstances. The question of whether and when the charges should be laid, and as to what the charges should be, will all require the exercise of prosecutorial discretion.

The differences in approach in the two second-reading speeches are obvious. Earlier in the year the Attorney-General berated the coalition for not coming to grips with the question of AIDS when it declined to go ahead with the abolition of the rule. Suddenly the Attorney-General has back-pedalled and is suggesting that the Bill will have little to do with the prosecution of a person who deliberately infects another with AIDS.

The coalition believes the abolition of the year-and-a-day rule will make very little difference to such prosecutions. It will be a rare case where the abolition of the rule will result in a charge of murder arising from the death of an infected victim. The rule does not apply only to charges of murder but also to other offences such as manslaughter and culpable driving. The abolition of the rule will have little effect because of the difficulty of determining the cause of death after a long lapse of time and after a number of intervening events.

Again I refer to the second-reading speech, where the Attorney-General talks about sufficient scientific expertise now being available to enable juries to consider whether an accused has caused the death of a victim who dies some time after the initial infliction of the injury.

It is true that scientific expertise has improved but, equally, treatment has changed considerably and people may be put on life support systems. That

may not be relevant in the case of AIDS, which is nearly always, if not always, fatal, but when there is a chance of the person surviving, the intervening medical treatment may make it difficult to tell whether death resulted from the original injury or from another event such as the turning-off of the life support system.

It may be that the abolition of the rule will enable charges to be laid when a victim dies shortly after the year and a day — a year and two days, a year and one month, a year and three months and so on. It seems unlikely that a charge of murder will be laid if the victim does not die within ten years as is now the case with people who have been infected with the AIDS virus.

I asked the officers of the Attorney-General's Department to give me some examples of recent cases, or any case, where a prosecution for murder could not be laid as a result of the victim dying more than a year and a day after the injury was inflicted, and they were unable to do so. That is very telling, and it suggests that there will be few cases where the legislation is likely to result in any prosecutions.

When we debated this issue during the last sessional period I asked the Attorney-General whether he was suggesting that no prosecution should follow the stabbing of a victim with an AIDS-infected syringe and whether he intended that people should wait for ten years to see whether the victim died before charges were laid. Of course, I received no response to that, but it would be totally unsatisfactory if it were to occur. I suggest that if a person deliberately tried to infect someone with a fatal disease that person should be charged as soon as possible after the injury was inflicted with an offence such as intentionally causing serious injury, which carries a maximum penalty of fifteen years imprisonment. If the injury did not result in infection it would still be possible to charge the offender with intentionally causing injury, and imposing a penalty of seven years imprisonment. Either of those courses would be preferable to failing to charge an offender at all and waiting up to ten years for a person to die, which the community would find totally unsatisfactory.

That raises another question. If no charges are laid, I suppose that theoretically after ten years one could charge the person with murder. However, if the offender is charged with one of the other offences shortly after the incident occurs, the question arises of whether he could subsequently be charged with murder as well, even though he had been convicted of the other offence and possibly served a prison sentence. I have discussed this issue with a number of barristers and with police and I must say there is a difference of opinion on this matter.

I endeavoured to find out whether the Attorney-General had received advice on this issue and my understanding is — I was advised by officers of the Attorney-General's Department as I did not hear from the Attorney-General, who does not usually bother to answer my questions — that there is some doubt as to whether another charge could be laid, although my recollection is they thought it possibly could be. That in itself raises issues of natural justice. It seems to me that if the Victorian Law Reform Commission report on homicide covers the issue of the abolition of the year-and-a-day rule and is considering it in the circumstances in which the Attorney-General initially introduced the Bill — that is, believing the abolition will cover charges to be laid in the circumstances I have just adverted to — the issue of double jeopardy will also be covered.

My understanding is the report is virtually complete and that it is due to be released in November. It would have been very useful for honourable members to have a copy of it in order to properly consider the issues raised by the Bill.

I wish to refer again to the Attorney-General's words in the second-reading speech on this occasion. Just after the words I quoted about scientific expertise being available to enable juries to consider whether an accused has caused the death of a victim who dies some time after the initial infliction of the injury, the Attorney-General says:

> It is no longer appropriate to prevent juries from considering such cases.

It will not be a matter for a jury to decide. In most cases the Attorney-General has referred to, the Director of Public Prosecutions (DPP) will decide whether to prosecute after ten or more years. I suggest that in most cases the DPP will decide not to prosecute for a number of reasons. They may not be exhaustive and there may be others but I have identified about five reasons which would be considered relevant by the DPP. Firstly, in the case of the offender who has already been charged with another offence and who has already served a sentence, I suggest that where the sentence may have been for intentionally causing serious injury and may have been quite a long sentence, it is unlikely the DPP would consider a charge of murder

some years after the person is released or even while he is in prison.

Secondly, witnesses may have died or moved away from the area and may not be able to be found. Thirdly, it may be the case that, where there has been a long delay between an offence and a trial, the witnesses may have forgotten the details and therefore be unable to provide the information about the events surrounding the offence that is required for a jury to be satisfied beyond reasonable doubt of the details of the offence.

Fourthly, other events will have occurred over the period prior to the death which will have affected the victim's health, and, fifthly, there would be a reluctance after a period of ten years to charge an offender who, during that period, had lived a blameless life and who might have acquired a young family. I suggest the DPP would be very reluctant to bring a charge of murder in those circumstances.

I discussed this matter with the Attorney-General's advisers and they said the circumstances are similar to the case of a murder not being discovered for ten years after the offence occurs. Some things are the same but there are two significant differences: in that case it is unlikely that the offender would have been charged with another offence in respect of the same incident, and there is not the problem of intervening events that have affected the victim's health.

In so far as the Bill purports to deal with the situation where a person committing a criminal offence deliberately infects another person with a fatal virus, the coalition believes it will be ineffective. The coalition proposes the creation of the new offence of deliberately infecting a person with a fatal virus in the course of committing another offence. The new offence should carry a heavy penalty equivalent to the penalty for murder.

Honourable members frequently hear of reports of syringes filled with blood being used in robberies and assaults. Recently a distressing case was reported in the newspaper about an elderly man who surprised intruders in his house and was then jabbed in the arm several times with a syringe.

The possibility of victims of sexual assault being exposed to infection also exists. In addition to any other harm they may suffer victims of sexual assault may not know for many months whether they are HIV-positive. Sentences for such offences must also reflect the fact that victims must cope with the additional trauma associated with a fatal infection.

A coalition government will examine the law to ensure there is appropriate provision for testing for HIV infection of perpetrators of sexual assaults. Victims of sexual assaults will also be tested if they wish.

The coalition's proposals would be far more effective than the provisions in the Bill introduced by the Attorney-General. However, the coalition cannot see that the Bill will cause any harm. As I said earlier, there may be the odd case where a victim dies shortly after a year and a day and a prosecution for murder cannot presently be brought.

Earlier I referred to the Victorian Law Reform Commission report on homicide, which honourable members have been told deals with the abolition of the year-and-a-day rule. The report is due for release in November, and the Attorney-General has supposedly relied on it in introducing the Bill. He has referred to it in both his second-reading speech and his press release.

The Attorney-General has said the provisions of the Bill are based on the report. In his press release he said the report will assist in discussion on the Bill. I also believe that; in fact, the coalition does not consider that the Bill can be seriously discussed without the report being released. I do not even know whether the Attorney-General has seen an advance copy of the report. He has not said he has read it. He appears to believe the report will recommend the abolition of the rule. I do not know whether that is based on his reading an advance copy of the report or whether it is based on his assumption that no-one could possibly disagree with him.

The Attorney-General said New South Wales has already abolished the rule and that other States are considering that action. He has criticised the coalition for wanting more than two weeks to consider the Bill before debating it. Despite his confidence that he is right about the Bill, I advise the Attorney-General that that belief is not unanimous.

In England in 1980 the Criminal Law Revision Committee published a report recommending the retention of the rule. In the time available to me I have not been able to find a copy of that report, but it appears that the rule was still in force in England in 1989. If the Attorney-General has any more information on that I should be grateful if he made it available to honourable members.

It is unreasonable for the Attorney-General to propose that the Bill be passed without honourable members having had the benefit of reading the Law Reform Commission report. Given that no cases have arisen where the rule has been relevant it is apparent that there is no urgency for the Bill to be passed. In fact, it could lie over until the next sittings of Parliament.

I have no doubt that the Victorian Law Reform Commission has spent a lot of time researching the issue and preparing its report. That time and effort should not go to waste; honourable members should have the advantage of discussing the report and the Bill. Therefore, the coalition proposes that the Bill not proceed through Parliament until the Victorian Law Reform Commission report on homicide is available to all honourable members.

Mr CLARK (Balwyn) — This is a simple Bill but it makes a significant change to a longstanding principle of law. Accordingly it requires careful consideration. As the honourable member for Kew said, the principal purpose of the Bill is to abolish the rule of law under which an act or omission which in fact causes death is not regarded as the cause of death if the death occurs more than a year and a day after the act or omission occurred.

If one is devising principles of law in abstract, there is no particular reason why there should be an arbitrary cut-off point of a year and a day. A cause of death one day short of a year is a cause of death one day after the year and a day is up. Speaking in theory it is hard to quarrel with that proposition. However, over the years common law has involved many arbitrary principles which, at least at the time they evolved, proved to have practical merit. Some rules of evidence are clear examples of that.

Experience has suggested certain evidence is so lacking in probative value that it should be totally debarred from consideration even though as a matter of logic and scientific probability it may carry probative weight. Similarly, at least in the past, it may well have been the fact that even though an act can still cause death after the lapse of a year practical experience has shown that the ability to prove that to be the case is so tenuous and difficult that the law has imposed an arbitrary cut-off point. Until recent years the cut-off point has not caused any major difficulties.

One needs to approach the Bill with a degree of caution while being open to admit the possibility that there is room for improvement in the law or that changing factual circumstances render what was once a sensible rule of law no longer sensible. The obvious change in factual circumstances to which the law must be applied is that relating to modern technology. It is now far easier to prove after the lapse of a year that a death was due to a certain act than it was 200 or 300 years ago when scientific skills were more primitive.

There may well be a good case for changing the law. Speaking for myself, if I were forced to express a personal opinion without having investigated the issue extensively, I would probably opt for repealing the rule of law known as the year-and-a-day rule, just as I would change or repeal a number of other rules of evidence that I also think have been proven to be ineffectual or to be not operating satisfactorily in the present day.

However, the point made by the honourable member for Kew is that a report of the Law Reform Commission including this subject is due very soon. Presumably the government attaches some weight to the efforts of the Law Reform Commission. My view is that the commission's work in recent years has been somewhat patchy. Some excellent work has been done, such as that done on the plain English draft of the acquisition of shares code, but some ventures in law reform I regard as being well and truly off the track of what is appropriate.

However, given that the Law Reform Commission has laboured on this issue and given that its report is due very soon and given that there is no particularly pressing need for the Crimes (Year and a Day Rule) Bill to pass through the House within the next couple of weeks, I should have thought it highly desirable that we wait and see what the labours of the Law Reform Commission have produced before we go ahead and make a decision.

Members of Parliament these days are not always capable of analysing the law in the depth that would be desirable. The Attorney-General has certainly shown that for one reason or another he is not able to bring to this House the sort of grasp of the law that one would expect of an Attorney-General. Therefore I think it is reasonable to be guided by the report of the Law Reform Commission and to have that report before us for consideration. That is not to say that honourable members should necessarily agree with the report when it is brought down but it should be material that is on the table and available for consideration.

If the Attorney-General believes, as I gather he does, that the commission supports his conclusion, he should be quite confident and happy to await that report. It certainly is not sufficient for the Attorney-General to say, if he has said or were to say in future, that he knows the conclusion of the commission and therefore we should pass the Bill. Obviously there is as much value — if there is a value in a report of the Law Reform Commission — in the reasoning and research that underlies the final recommendation as there is in the final recommendation itself and we should have that reasoning and research before us.

For those reasons I support the honourable member for Kew in saying that the Bill should not proceed until the report of the Law Reform Commission is available.

Dr WELLS (Dromana) — I wish to support the coalition's case presented in this House on the Crimes (Year and a Day Rule) Bill. As a layman I venture into what is strictly a legal area for a number of reasons. Firstly, laws derive basically from commonsense consideration of evidence and practised observation of the facts. Secondly, I shall make some comments about the biomedical and scientific aspects of the proposed legislation. Thirdly, I shall comment on the specific issue of AIDS.

One thing I strongly emphasise today is what ought to be called the "malpractice" of the government in its handling of the proposed law. This is not the first time I have spoken like this in the House but I hope this will be the most forceful criticism I shall make about this aspect of the government's behaviour. Yet again honourable members are faced with the government presenting a serious proposal for consideration. A law of the State of Victoria is a most serious matter. Surely the development of a law must be based upon reasoned consideration and rational analysis and approached with the highest possible level of efficiency.

I emphasise that point because it is one on which the government has repeatedly fallen down over the past seven or eight years. I cannot understand why that is so. Adequate evidence has been given in contributions made by previous coalition speakers that no urgency exists at this time to change the law in Victoria. Indeed, the Attorney-General's staff have not provided one example of a case in recent years that indicates that the law must be changed. Certainly no practical justification appears to exist for changing the law in a hurry.

One would not think on the grounds of commonsense, or on the work of other judicial and legislating bodies in the British Commonwealth, that the Attorney-General is likely to lose his case in the matter. I ask: why does he rush? He certainly is rushing in this regard.

Three important components of the decision-making that forms part of creating or changing a law have been mentioned. My colleague the honourable member for Balwyn raised some issues for the consideration of the House. He said that today legislators had an increasingly difficult job to do. Democratic Parliaments must consider a plethora of Bills. The management of modern democracies must be improved as we go forward.

The issues that must be considered by legislators are becoming increasingly complex. After all, legislators are people who represent the whole community and they come from a wide spectrum of experience. Members of Parliament need all the help they can get when discharging their considerable responsibilities.

Honourable members have heard that the Law Reform Commission report on homicide is due almost tomorrow. The report has been prepared in our own State of Victoria. We have invested some of our best assets, both in human and financial resources, in preparing that report. Yet the Attorney-General has tried to convince honourable members that we will have to pass the Bill — —

Mr Kennan — You will have it tomorrow!

Dr WELLS — If that is the case, I take up the Attorney-General's point and ask whether that means that he considers the Assembly to be inconsequential? Does the Assembly not matter? Through you, Mr Deputy Speaker, I ask the Attorney-General: are you simply interested in getting the Bill into the Council?

Mr Kennan — After 600 years!

Dr WELLS — Then why must there be a rush, for just one more day? Why do you not treat this place with responsibility? Why do you not do everything possible to lift the debate in this place to its highest possible level of efficiency?

Through you, Mr Deputy Speaker, I ask the Attorney-General to answer that specific question when he closes the debate and not to do as he did last night when he completely ignored the questions

I had put to him and, in two lines, closed off the debate on an important Bill on infectious diseases.

The Bill is concerned with an area that lies within the expertise of the Attorney-General. I ask: why, then, must he ram the proposed measure through this place today? Why does he do that when, on his own say-so, the Law Reform Commission report is due tomorrow?

Of course, that is not the end of the story. I raise carefully a matter on which I invite a response from the Attorney-General: why is it that both Houses of the Victorian Parliament have not had made available to them the technical and legal information provided to the Standing Committee of the Attorneys-General of Australia? Apparently they have made a decision to revoke the common law rule known as the year-and-a-day rule. I take the Attorney's point that it is a rule of some 600 years standing.

As the leading constitutional law officers of the nation and the States of Australia, the Attorneys-General must have based their significant decision on appropriate information, but honourable members do not have access to that information. It is not party political information; it belongs to the whole nation. I ask: why have we not seen it?

I support the honourable member for Kew in her request for the information that has been acquired through taxpayers' funds so that every legislator in the Assembly and the other place can consider it before making a decision and voting on the Bill. That is the second reason why the Attorney-General is flawed in his approach in trying to push the Bill through the House today.

Victoria no longer derives its laws from the United Kingdom, but I suggest the United Kingdom still has important things to say through its legal system to Australia and to other democracies. My commonsense approach is that it is probably appropriate to revoke the year-and-a-day rule, but I am challenged by the fact that the United Kingdom Criminal Law Revision Committee reviewed this matter a few years ago when the times were not so different from now and declined to so recommend. I want to see that evidence before I vote responsibly in this place. I cannot chase everything that comes before the House. If the Attorney-General does not provide the information and if the resources of the opposition have not been able to track it down, surely I will have some difficulty getting hold of it. I believe the government should provide technical information such as this to honourable members.

There are three major sources of legal information — State, national and international — that I believe legislators should have available, but I do not have any of them. The Attorney-General has advised the House that the Victorian Law Reform Commission report will be available tomorrow. Why not wait until then? The vote of the Assembly matters just as much as the vote of the Council. If it does not, why have members in the Assembly? If the Assembly does not matter, wipe it out.

Mr Kennan — I should prefer it the other way around!

Dr WELLS — The Attorney-General's case is absolutely flawed.

I turn briefly to the question of AIDS because infection by the AIDS virus has posed new challenges for every society in the modern world. It is an area where injury may be inflicted on a person that will almost certainly lead to the person's death. For our purposes I suggest most cases are likely to be beyond the year-and-a-day period. It is a form of murder. It is not for me to judge that from a professional viewpoint but from a commonsense viewpoint that seems to be the case. It is important to face this issue for at least two reasons. Firstly, there is the question of justice. We cannot allow our society not to face up to this problem. Justice must be done. Secondly, as a layman I suggest there should be some form of deterrent. Our society cannot let a factor such as this run out of control. Honourable members have heard the argument that people in the front line carry extra risk because they are exposed to the virus and are entitled to be protected. Law enforcement officers have been mentioned repeatedly in this debate. I suggest we must have something that will act as a major deterrent to criminals who may attempt to use whatever illegal means they can in pursuit of their aims.

I hold the view that people who know they are infected by this virus should be severely discouraged from participating in sexual intercourse. As the shadow Attorney-General has said, Parliament should address itself to a new law covering the transmission of the AIDS virus and consider specifically the forms of penalty that may reasonably be written into the statute book. At the moment we are burying our heads in the sand on this matter, but we cannot let it go on.

The Attorney-General has highlighted the issue of murder, manslaughter and so on with respect to the Bill. I suggest he should continue his work and attempt to address this thorny issue. There is a body of evidence and law in other jurisdictions in Australia, some of which have more severe penalties for the transmission of a fatal viral infection, although I am not aware of any having been tested in the courts. As Victoria is one of the leading States in law reform in the Western World it should get on and do its job and review its current stand on this matter.

I rose initially to speak on the AIDS matter, as I have talked about it to my coalition colleagues and because I believe it is a matter of considerable importance. I am not as confident as previous speakers who suggested the current proposal may be justified because new technology can properly identify the cause of death inflicted beyond a year and a day. There is still a lot of room for error, but I accept that the situation has improved. However, I do not accept that that is the real justification for changing the law. I would be much more amenable to the idea that something that can kill a person in a year minus one day is no more important than the virus that may kill a person in a year plus one, two or more days. I think there is a commonsense viewpoint, not a medical limit, that suggests we should consider the arbitrary limit that has been brought in. Certainly I suggest AIDS proves beyond doubt the need to review the overall view. It is the coalition's view that it should not be done at this time but separately or that we should look at the matter specifically. I ask the government to address this matter because it is important. A fatal virus infection should not be used as a weapon in the same way as a gun. It should not be trafficked around knowingly or irresponsibly by a small number of individuals who can wreak havoc on our society.

At times we understand that some people who have contracted the AIDS infection are terribly upset — and we are sympathetic to their dilemma — but we must establish some protection for rational people so that they do not take the law into their own hands. It is a source of real regret to me that the government should continue to act irresponsibly in ramming legislation through this House. If the government does not delay the Bill until the information from the Victorian Law Reform Commission is available to honourable members, it may not gain because the Bill may not pass the other place as expeditiously as the government wishes.

Mr KENNAN (Attorney-General) — The Parliament is aware that this is the second time this year the Bill has been debated. The Parliament needs to be aware that the rule has been abolished and similar legislation has been passed in New South Wales and South Australia and will shortly be proclaimed in South Australia.

Mrs Wade interjected.

Mr KENNAN — Again we hear that the opposition does not want to be part of a national harmonisation of laws. All States with members on the Standing Committee of Attorneys-General have agreed to abolish it. The Queensland Cabinet has approved the Bill in principle. Western Australia has introduced the Bill into Parliament. There is no reason for the retention of this law. But all we hear from the Victorian opposition is delay, delay, delay. The opposition thrashes around seeking one excuse after another.

There are two Houses of Parliament. Honourable members know that the opposition-controlled Upper House has set a time limit. It is only proper that the Bill be passed in this session.

Mrs Wade interjected.

Mr KENNAN — The opposition is complaining that I am trying to have the Bill passed too quickly. It was introduced last sessional period and defeated. I have introduced the Bill this sessional period and it will pass this House.

The Law Reform Commission report will be tabled in Parliament tomorrow. If there is anything inconsistent in that report with the Bill the opposition can consider the matter when the Bill is between here and another place.

The opposition is running out of excuses and wants to be out of step with the rest of the country.

Motion agreed to.

Read second time.

Committed.

Committee

Clause 1

Mrs WADE (Kew) — I move:

That progress be reported.

I refer to the extraordinary statement made by the Attorney-General that he has introduced this Bill before the tabling of the report of the Law Reform Commission which would cover the subject in the Bill. It is outrageous that honourable members of this Chamber have not had the advantage of seeing that report prior to debating the Bill. The opposition parties want to see that report before proceeding in the Committee stages of the Bill.

Mr CLARK (Balwyn) — In support of the honourable member for Kew, I was amazed to hear the Attorney-General cite as a reason for pressing on with the Bill today the fact that a similar Bill had been defeated by the coalition earlier this year. If anything, that would be an excellent reason why, if the Attorney-General considered this issue should proceed quickly, he should have introduced the Bill much earlier in the sessional period to enable the Bill to be debated at some length. The Attorney-General should have taken steps to ensure that the Law Reform Commission was encouraged to have the report tabled in time to allow the matter to be taken into consideration.

His attitude towards this Chamber is outrageous. One of the essential reasons for a bicameral system of Parliament is to allow for a mature consideration of issues in one House that have already been considered in another House, especially given that the Attorney-General is expecting this place to pass the Bill with less than full consideration. In fact, he seems to be expecting us to rubber stamp the Bill without any real consideration taking place. He is depriving the institute of Parliament as a whole of the opportunity of functioning in the way it should. He is giving no opportunity for public comment on the debate in this Chamber, and no opportunity for members in another place to consider the debate in this Chamber before debating the matter and no opportunity for the Minister's advisers to take note of what is said in this Chamber if the Minister were to give them latitude to consider issues on their merits.

In short, the Minister is undermining the whole structure of the way Parliament should operate and this comes hard on the heels of the remarks of the Speaker this morning during question time in response to a similar arrogant reflection on this place by the Attorney-General.

It is disgraceful that the Committee should proceed now given that the Law Reform Commission report is to be tabled tomorrow. I strongly urge the Committee to report progress. If the Attorney-General is adamant that he wants the Bill passed this week, honourable members should have the opportunity of considering the Law Reform Commission report when it is tabled tomorrow and to resume consideration of the Bill in Committee later tomorrow.

Why can the Attorney-General not wait that extra day to meet the objectives that he claims to have in wanting to press on with the Bill?

Dr WELLS (Dromana) — I find the actions of the Attorney-General this afternoon offensive. I believe he has damaged his standing in the electorate before Parliament today. The reasons he has offered for ramming the Bill through are: firstly, other legislatures have done so; secondly, the Minister says the Bill has been introduced as an earlier Bill; and, thirdly — and this is the only reason he offered — he asserts the bullying viewpoint that the opposition should do what he wants otherwise we will be branded with standing in the way of progress. The Minister defines what progress means. I remind him that Parliament does not function that way. It would not matter if every other Parliament in the democratic world passed this or any other Bill, this Parliament would have a constitutional responsibility, and so would every elected member of it have the same equal constitutional responsibility, to seriously consider the matters put before Parliament.

We would be acting unconstitutionally if we did anything else. The Attorney-General is trying to bully Parliament by taking such action this afternoon. That is an abrogation of his personal responsibility as the highest law officer in the State and as one of the highest officers in Parliament.

I will have no truck with his bullying and intellectual tactics. Today the Attorney-General has severely damaged his standing in this place. I hope he will not put this matter to a test. If he does, it is the only way he will have the Bill passed today.

I am aghast and have never heard such a performance in the seven years I have been a member of Parliament. In his own words the Attorney-General destroys himself by saying, "The report will be here tomorrow and I am going to ram the thing through and I don't like your standing in the way of progress". What a disgrace!

I support the honourable member for Kew in seeking that progress be reported. Let the Attorney-General cool off overnight. I hope reason will return to him tomorrow and he will enable Parliament to discharge its constitutional duty to the people of Victoria to the best of its ability.

Committee divided on motion:

Ayes, 40

Austin, Mr	McGrath, Mr J. F.
Bildstien, Mr	McGrath, Mr W. D.
Brown, Mr	McNamara, Mr
Clark, Mr	Maclellan, Mr
Coleman, Mr	Maughan, Mr (*Teller*)
Cooper, Mr	Napthine, Dr
Delzoppo, Mr	Perrin, Mr
Dickinson, Mr	Perton, Mr
Elder, Mr	Pescott, Mr
Evans, Mr	Plowman, Mr
Gude, Mr	Richardson, Mr
Hayward, Mr	Smith, Mr E. R.
Heffernan, Mr	Smith, Mr I. W.
Honeywood, Mr (*Teller*)	Steggall, Mr
Jasper, Mr	Stockdale, Mr
John, Mr	Tanner, Mr
Kennett, Mr	Wade, Mrs
Kilgour, Mr	Wallace, Mr
Lea, Mr	Weideman, Mr
Leigh, Mr	Wells, Dr

Noes, 44

Andrianopoulos, Mr	McCutcheon, Mr
Baker, Mr	McDonald, Mr
Barker, Mrs	Mathews, Mr
Batchelor, Mr	Micallef, Mr
Cain, Mr	Pope, Mr
Cole, Mr	Ray, Mrs
Crabb, Mr	Roper, Mr
Cunningham, Mr (*Teller*)	Rowe, Mr
Dollis, Mr	Sandon, Mr
Ernst, Mr	Seitz, Mr
Fordham, Mr	Sercombe, Mr
Garbutt, Mrs (*Teller*)	Setches, Mrs
Gavin, Mr	Sheehan, Mr A. J.
Hamilton, Mr	Sheehan, Mr F. P.
Harrowfield, Mr	Shell, Mr
Hill, Mrs	Simmonds, Mr
Hirsh, Mrs	Spyker, Mr
Jolly, Mr	Thomson, Mr
Kennan, Mr	Trezise, Mr
Kennedy, Mr	Vaughan, Dr
Kirner, Ms	Walsh, Mr
Leighton, Mr	Wilson, Mrs

Motion negatived.

Mrs WADE (Kew) — Clause 1 sets out the purpose of the Bill, which is to amend the Crimes Act to abolish the year-and-a-day rule that a person may not be convicted of an offence relating to the causing of a death unless the death occurs within a year and a day after the injury causing death was inflicted.

The rule applies to the offences of murder, manslaughter, infanticide, child destruction, inciting or aiding and abetting the commission of a suicide, and culpable driving causing death.

In setting out the reasons for the introduction of the Bill the Attorney-General spoke principally about the infliction of fatal diseases and has relied heavily on changes in scientific methods to justify the changes he proposes. In his second-reading speech he did not touch on the other offences I have just mentioned; an indication of the very limited way this Bill has been considered by the Attorney-General. As with many of his law reform initiatives it is geared more to headlines in the newspapers than to actually achieving anything.

I have no doubt there have been changes in scientific methods leading to improved availability of tests which would assist in relating an injury to the death of a victim, although I was interested to hear the honourable member for Dromana say that he had difficulties with the proposition. As I know the honourable member for Dromana is more educated than I in scientific areas it may well be that the matter needs further consideration by the coalition.

I also wish to refer to the reason given in the fourteenth report of the Criminal Law Revision Committee in England, published in 1980, which recommended that the rule be retained in England.

The reason the committee thought it desirable that it ought to be retained was that it believed:

> ...it would be wrong for a person to remain almost indefinitely at risk of prosecution for murder. A line has to be drawn somewhere, and in our opinion the present law operates satisfactorily.

This matter has been overlooked by the Attorney-General. It did not receive any attention in his second-reading speech. It should be considered seriously. The coalition has considered this issue and believes, for the reasons I mentioned earlier, it was unlikely there would be too many prosecutions as a result of the abolition of the rule, so it was not a significant problem.

However, I would like the opportunity of seeing the English report, which I have not yet been able to obtain. I have no doubt that if the Victorian Law Reform Commission properly undertook the task referred to it, it would have read the English report and would no doubt have given reasons why it has reached a different conclusion, if indeed it has. The Chamber will not know until the commission's report is tabled in Parliament tomorrow.

Honourable members also need to consider the response of the community to the abolition of this rule. The Attorney-General has been talking up the Bill in his usual fashion and making promises about prosecutions that are unlikely to eventuate. The community will have concerns about the proposition that a person is not prosecuted for an offence until a victim dies some ten or more years after the offence has occurred, and the risk of prosecution during that period.

None of those issues has been referred to by the Attorney-General, even though they were raised by members on this side of the Chamber during the debate. The Attorney-General hands out abuse as is his usual fashion, but has not come to grips with the issue.

The opposition's initial reaction to the Bill was not to oppose it, but it felt it needed more time and information. Having listened to the Attorney-General I hold that view more strongly than I did when the debate commenced today.

Clause agreed to; clauses 2 to 4 agreed to.

Reported to House without amendment.

Passed remaining stages.

CO-OPERATION (CREDIT CO-OPERATIVES) BILL

Second reading

Debate resumed from 10 October; motion of Mr KENNAN (Attorney-General).

Mrs WADE (Kew) — This is the third Bill which has resulted from the government's failure to properly regulate non-bank financial institutions with the consequent failure of institutions and loss and heartbreak thereby caused to many Victorians.

In the mid-1980s the Attorney-General rushed into deregulation of the financial institutions and encouraged those institutions to be more entrepreneurial. This is well documented in *Hansard* and I have mentioned this on many occasions before so I shall not quote the particular passages today. However, it is well known to honourable members that during debate on the Building Societies (Amendment) Bill in 1986 the Attorney-General promoted entrepreneurial management of financial institutions. I make it clear that even with the deregulation of building societies that occurred as a result of the Attorney-General's attitude — an attitude prevalent in the government at that time and inflicted on other financial institutions such as the Victorian Economic Development Corporation, Tricontinental Corporation and State Bank Victoria — if the legislation had been properly enforced and proper monitoring and surveillance of the financial institutions had occurred Victorians may have been saved from the financial collapse and the concerns that affected everyone, not just those people who deposited money in those failed institutions, but people who had money in other building societies, friendly societies and, in some cases, the banks.

Over the past two years at some stage nearly every financial institution in Victoria has had a run on its deposits. Having encouraged an entrepreneurial approach in the non-banking financial institution sector, the Attorney-General starved the Registrar of Building Societies, Cooperative Housing Societies, Friendly Societies and Cooperative Societies, who is responsible for the monitoring and surveillance of these institutions, of staff and resources.

In fact, the registrar advised the Minister in memoranda publicly available that he was unable to properly regulate these non-bank financial institutions. Well before the problems with the Pyramid Building Society were known or even perceived by those working in Pyramid itself the registrar was advising the Attorney-General that a building society could collapse, which would be disastrous for Victoria.

It should be clear that the Attorney-General is responsible for the failures in the corporate and financial sectors. Over the past two years not only has Victoria had the collapse of the Pyramid Building Society and associated building societies of the Farrow group and runs on deposits throughout the financial sector, but it has had problems in each of the non-banking financial sectors that have not led to the same problems that occurred with Pyramid. For example, the OST Friendly Society and at least two credit unions have got into trouble.

Eventually the Attorney-General decided that he needed to do something about the mess we were in, so he introduced the Building Societies (Prudential Standards) Bill, then the Friendly Societies (Reserve Board) Bill, and now this Bill, which deals with credit unions.

The Bills are characterised by an apparent inability on the part of the Attorney-General and the government to come to grips with the methods of operation of each group of non-bank financial institutions, or with the significant differences between each of these groups of financial institutions, or with the need for liquidity support for each of these groups, or with the difference between liquidity support and solvency support.

The debate on each of those Bills has been characterised by problems with the detail of the Bill and with the Attorney-General's inability to explain its provisions. In the case of the other two Bills, and particularly the building societies Bill, there have been large numbers of amendments. This Bill is not on the same scale as the Building Societies (Prudential Standards) Bill; it is more like the Friendly Societies (Reserve Board) Bill.

In the case of the Building Societies (Prudential Standards) Bill, which was introduced largely in response to the Pyramid situation, the Attorney-General had some assistance from the firm of KPMG Peat Marwick; in fact, it was very expensive assistance. It appeared the Attorney-General had nobody in his department who was able to advise him on the regulation of building societies. It seems extraordinary, as he is the Minister responsible for the monitoring and surveillance of building societies, that he had to call on this very expensive assistance.

On that occasion the Attorney-General introduced a Bill that set out a comprehensive proposal for the regulation of building societies, even if much of the detail that was required was missing from the Bill and was to be provided by regulation.

In the case of the Friendly Societies (Reserve Board) Bill, both the Attorney-General and KPMG Peat Marwick ran into problems in deciding how friendly societies actually operated and how they should operate in the future. They virtually gave up and the Attorney-General came up with a skeleton Bill to establish a reserve board that would at some future time provide the Attorney-General with the assistance he needs to regulate friendly societies.

The Attorney-General is following the same scenario with this Bill. He is setting up a reserve board and an advisory committee, again to tell him what he should do about credit unions because apparently he does not know. In fact I am getting rather tired of this scenario. Either the Attorney-General says in this House that it would be better for everything in his portfolio to be handed over to Canberra, whether it be corporations or matters dealing with de facto relationships, so that he will have nothing left to do in due course; or, if he does not do that, he hands everything in his administration over to reserve boards. One wonders whether we will need an Attorney-General at all if he keeps going at this rate!

This Bill is quite small; it amounts to twelve and a quarter pages. It reconstitutes the Credit Cooperatives Reserve Board and creates a Credit Cooperatives Advisory Committee. It vests in the reserve board the functions that are currently vested in the registrar.

This is not the Bill the coalition was expecting; it was expecting a much larger Bill. In fact I have a copy of a much larger Bill. I understand the larger Bill was presented to the Attorney-General but that he thought it was too long; he said he wanted a smaller Bill and sent it away to be redrafted overnight, and so a much smaller Bill was presented to the House. One can assume only that he is losing his enthusiasm for explaining the provisions of his Bills clause by clause and that he has decided that the only answer is to have shorter Bills.

I understand the Bill is perceived by the Attorney-General's Department as being an interim measure. As the House is no doubt aware there is a proposal for a cooperative scheme between all the States to regulate credit unions on a uniform basis throughout Australia, and a working party on non-bank financial institutions is currently at work on proposed legislation.

Mr Cole interjected.

Mrs WADE — As the honourable member for Melbourne says, it would be a good thing and the coalition certainly supports uniformity in this area. The financial institutions area is an area that needs uniformity, provided we can be satisfied that the legislation the working party comes up with is adequate and will protect the people of Victoria. Obviously the honourable member for Melbourne, who is nodding at me, appreciates that it is the responsibility of this Parliament to ensure that legislation that will apply to Victorians is

appropriate and suitable rather than just following along like sheep behind the other States and doing whatever they think is a good thing for their citizens.

The Bill is probably unnecessary, although there have been some problems with credit unions. I mentioned that a couple of them have got into difficulties, but they have been adequately dealt with under the present legislation by the current reserve board; in fact, it has a liquidity support scheme and a solvency support scheme that have worked very well and no investors or depositors in credit unions have lost any money.

In these circumstances, and given that the Bill really does not do very much, it might have been better to wait for the uniform legislation from the working party. If the Attorney-General can turn his mind to legislation in his response, I should be grateful to know why he did not do that because it does not seem that there will be very much more safety for depositors under this very small Bill than exists at present.

It was actually suggested to me yesterday by a representative of an association of one of the groups of non-bank financial institutions that the Attorney-General believes he has to introduce legislation because, as it was described to me, he is terrified that something will fail and that he will be blamed for it; and that his reaction is really not to protect the interests of the depositors in these institutions but to wash his hands of them. It would be a pity if that were the case, and if it is the case it would be better if the Attorney-General waited for the uniform legislation rather than putting this Bill through, which makes it look as though he is doing something when really he is not.

I understand the credit unions themselves are not entirely happy with the Bill, and they were less happy with the longer unamended Bill. They are not happy with the Bill in the form in which it has been introduced, but they are resigned to it. In those circumstances the coalition will not oppose the Bill.

However in his usual fashion the Attorney-General will introduce a number of amendments. On this occasion he has very kindly provided me with a copy of the amendments prior to his actually moving them, which is not always the case.

I understand the amendments insert in the Bill some of the provisions that were withdrawn from the longer version when the Attorney-General said he needed a shorter Bill. Apparently his officers became overenthusiastic in wanting to comply with his every wish and they took out quite a large number of clauses, some of which the Attorney-General really wanted to retain. I understand they are the clauses that relate to an administration fund and an administration levy.

No doubt the government is trying to raise money in every direction and I suppose when the Attorney-General took the Bill to Cabinet without these provisions in it and it seemed the Consolidated Fund may have to pay something towards regulation in this area he was told to go away and put them back in again.

The coalition has not had the opportunity of discussing the amendments in detail. We want to wait to hear what the Attorney-General has to say about them and we will consider them after we have heard his response at the end of the second-reading debate.

We do not believe the Bill should proceed to the Committee stage until we have considered the amendments and the reasons why they were reinserted in the Bill. I understand the Attorney-General has agreed to this approach. If we do not proceed to the Committee stage it will give the Attorney-General further time to consider other issues that have been raised. I refer particularly to the submission I received from the Law Institute of Victoria, which I am sure the Attorney-General has also received. In it the Law Institute, which is an independent body that is not particularly involved with the legislation, makes some excellent points. The Attorney-General should make changes to the Bill or he should respond to the points made by the institute.

I refer firstly to matters raised under the heading of "General commentary". Point No. 2 refers to the support by the Law Institute of the principle that is expounded in the second-reading speech but not reflected in the Bill. The reserve board should be independent from the government. The institute points out that under the provisions of the Bill the Minister will appoint the seven board members; the board members' terms are to be set at the Minister's discretion; and the Minister will appoint the chairperson, who has a casting vote at meetings. In these circumstances it is not possible to talk about the reserve board being independent, as the Attorney-General has tried to do.

The institute submits that it would be more appropriate for the board to be appointed for a fixed

period, except that half the initial appointments should be for half that period to provide for staggered terms. The removal by the Minister of members from the board should be allowed only upon the grounds of proven misbehaviour or incapacity.

The Law Institute raised another point to which the Attorney-General should respond and that is the need to have a separate Credit Cooperatives Reserve Board when there is a reserve board for building societies and a reserve board for friendly societies. It says three boards should be merged into one single body that should be responsible for all non-bank financial institutions but that the separate advisory committees should be continued. This matter has been raised during previous debates, and in particular during the debate on the Friendly Societies (Amendment) Bill. My understanding is that there ought to be common members on the three boards and in fact the staff would work for all three boards. If this were to be the case I believe there would be some difficulties. I do not see how that could be achieved under the existing legislation and, in particular, I do not see how the costs for staff and so forth could be allocated among the three boards other than on a rough basis. This is an important issue because, in the case of each reserve board, the industry is paying for its costs and for the costs of regulation. The costs would need to be allocated among the building societies, the friendly societies and the credit unions.

If the Attorney-General intends to go ahead with this semi-amalgamation of the boards and of the staff without legislation he will have a significant problem. He should follow the course I suggest and that is to come back to Parliament with legislation that truly reflects the institution that he intends to set up. I look forward to a response on this matter at the conclusion of the debate.

The Law Institute refers also to inconsistencies between the Bill and the Co-operatives Bill which has been on the Notice Paper for a considerable time. I understand the Attorney-General intends to withdraw that Bill and replace it with another Bill. No doubt he will deal with the inconsistencies when he does that. That matter should be clarified when the Attorney-General responds.

The Law Institute also makes a number of drafting points. It refers to proposed section 22(11A) and says the section should specify who may convene meetings of the board and should further require that meetings be convened by service of notice to all members. It also suggests there should be changes in the provisions relating to a vacancy in the office of a member of the reserve board and also there should be resignation and removal provisions for deputies. I imagine that the Attorney-General has a copy of the institute's submission — if he does not I am happy to make one available to him. These issues could be taken up in the Bill.

Another important matter is that any reference in an Act, the regulations, a subordinate instrument or other document to the registrar is to be construed as a reference to the reserve board. The institute considers such a provision is confusing for a person who is not familiar with the legislation and who may not be aware that the registrar has been replaced. The institute recommends that each reference to "registrar" should be amended to "reserve board". This is an important point. Bills used once to be amended in this way without taking short cuts. When I was a junior draftsman I had the job of replacing "Registrar of Companies" with "Commissioner for Corporate Affairs" in hundreds of different references. It is an important issue for someone who is concerned about plain English. It is one that the Attorney-General should treat seriously.

The institute also raises the matter of amendments to clause 7, which proposes to include in section 30(1)(a) a reference to section 19 of the Act. This relates to directions that may be given by the reserve board to a credit union and the failure of a credit union to comply with such directions. The Law Institute says that a minor breach of section 19, particularly through inadvertence, should not provide sufficient cause to warrant a credit union, society or association being made the subject of a direction of the reserve board. I raised a similar point when the Building Societies (Amendment) Bill was being debated, but it was not taken up by the Attorney-General. It is an important issue not only to credit unions but also to their members.

Naturally credit unions would have preferred the reserve board to have a majority of industry representatives. However, the Bill is consistent with provisions of the building societies legislation and the friendly societies legislation and that is obviously desirable if the Minister goes ahead with the merging of the three boards.

In summary, it would have been better for the Attorney-General to wait for the report and the outcome of the non-bank financial institutions working party report on uniform legislation for credit unions. Here we have a Bill that is plainly not

urgent. However, the government intends to go ahead with it. The opposition will not oppose the Bill but it reserves its position on any amendments that may be moved by the Attorney-General.

Debate adjourned on motion of Mr COLE (Melbourne).

Debate adjourned until next day.

ADJOURNMENT

Mr KENNAN (Attorney-General) — I move:

That the House do now adjourn.

Gaming premises policy

Mr HEFFERNAN (Ivanhoe) — I raise for the attention of the Minister for Gaming in the other place a matter relating to the Gaming Machine Control Bill, which was passed in Parliament recently. At the time general concern was expressed that the part played by local government in applications to the authorities for licences to operate gaming machines ought to be minimal. I sought assurances from the Minister that the government had taken on board the fact that there ought to be no obstacles in the way of those people.

It is important that the matter be addressed because the measure needs to be implemented as quickly as possible, and with Christmas just around the corner there are grave concerns that some new restrictions may be introduced.

The City of Preston has compiled a draft gaming premises policy that suggests gaming will be restricted to certain areas of the city. In the City of Preston alone many clubs have applied through the proper processes to establish themselves as suppliers of car parking facilities or other services that are necessary in the establishment of gaming premises.

Now, at the last minute the council is trying to set further obstacles, via the back door, for people wishing to enter into negotiated agreements with both Tattersalls and the TAB.

It ought to be brought to the attention of people who do not realise that restrictions are placed on the issuing of licences from the TAB and Tattersalls. They are not being handed out like hundreds and thousands or packs of cards to anyone who wants to apply. It is important to ensure maximum return from the machines.

The councils are assuming that some back-door organisations will be eligible for those machines when they apply for them. I ask the Minister to what extent the local councils will be allowed to have input in applications made to, say, Tattersalls or the TAB for gaming machine licences.

Local council objections frustrate the normal processes that private developers go through even today in getting projects off the ground. I am not asking that the Minister push local government off the scene altogether and dictate the lines of the communication that should take place on the applications, but I argue that no delay ought to be caused by local councils in the important establishment of a casino in this State.

Chiltern Water Board

Mr JASPER (Murray Valley) — I raise a matter for the urgent attention of the Minister for Conservation and Environment, and ask the Attorney-General to convey my remarks to him, and in so doing I raise for the attention of the Attorney-General a matter relating to funding support for the Wangaratta Festival. I understand he will be in Wangaratta at the weekend to assist in promoting the jazz festival and also to present prizes, but I understand some funds have been provided. The funds are not at the level we would like, but they will help.

The matter I raise for the urgent attention of the Minister for Conservation and Environment relates to the difficulties being experienced by the Chiltern Water Board. The board operates within the Shire of Chiltern and provides water to the townships of Chiltern and Barnawartha. That small town is expanding quite dramatically and is close to Albury-Wodonga.

The area has experienced difficulties recently because water is supplied to the townships through two bores. The major supplier of water recently broke down completely, so the secondary bore is now the sole provider of water for the township. Funding support was sought from the Department of Conservation and Environment for $160 000 to develop a new bore to ensure a water supply for the township over the summer period, should there be a problem with the remaining bore supplying the water.

However, we have found on application to the department that it has rejected the application from the Chiltern Water Board for funding support on the basis that the board should immediately repay government loans outstanding and that the board should commit itself to a process acceptable to the department to merge within six months with a viable local water authority.

I see the actions taken by the government as absolute blackmail. It is pressuring the water board to take action which it cannot take immediately, and which is against the interests of the people of the shire at Chiltern and the members of the water board, in saying it will not provide those funds until there are changes in the operation of the system.

The board has actually stated from where the funds will be provided, even to the turn of the century, but the plan produced by the water board has not been accepted by the department, and now the board is taking up the matter with the Ombudsman because it believes the government is standing over it and saying it will not provide the funds until the board repays the outstanding loan, which is approximately $75 000.

The board's case is strengthened by the fact that it sees itself as being viable without having to merge with any other water board in proximity. Over the past eighteen months the government has not made allocations in the form of subsidies to the board.

A subsidy of $46 000 in the last financial year was not paid to the board and no subsidy was paid in this financial year, even though the department had guaranteed that revenue would be provided to the year 1992-93.

It is an outrageous situation. We need immediate action from the Minister to ensure that departmental officials honour the agreement so that funds are provided to the water board to allow it to continue supplying water to the township of Barnawartha.

Bodies corporate

Mr NORRIS (Dandenong) — I raise for the attention of the Minister for Planning and Housing a matter concerning a number of complaints I have received in recent times involving bodies corporate.

One gentlemen in the electorate I represent, Mr Harold Robinson of Dandenong South, has spent a lot of time endeavouring to form a group to assist people with body corporate problems. I have made representations on his behalf to the Minister for Consumer Affairs on a number of occasions, but unfortunately to no avail.

There was a very good article in this week's *Age* and I advise the Minister to read it. It is headed "A body corporate works best as a team effort".

You would be well aware, Mr Speaker, with your urban consolidation and planning background, of the need these days to preserve and utilise to the very best of our ability the available housing land we have. More and more flats, units and cluster housing are being constructed, and I hope will continue to be constructed in the future.

Construction should proceed if we are to maximise our property assets and use the available services in the areas already developed.

We are failing in our duty if we continue along the road whereby people with genuine body corporate disputes are left in the present dilemma. They have two alternatives: the first for, shall we say, the warring factions in a body corporate — and I am sure many honourable members will have had experience because of problems of constituents — is for the dispute to be taken to a neighbourhood dispute centre, which sometimes solves the problem. That facility places people into a friendly and amicable situation, and endeavours to sort out the small and the large problems of people living in proximity, particularly for those who in days gone by may have lived on the familiar quarter-acre blocks.

Little things can be blown out of all proportion and very often those centres can find a way through problems by sitting the parties down and having them talk through their difficulties. The problem with the centres is that decisions are not binding and, unless the parties are willing to sit down and discuss disputes, that alternative is not viable.

If that is unsuccessful the other option is to take the dispute to the Magistrates Court but unfortunately that involves costs. Many people living in units with bodies corporate are elderly and cannot afford legal costs. Then the small problem festers and becomes worse.

Part of the *Age* article to which I have referred, and which I ask all honourable members to read, states:

> A body corporate usually works as well as the individual members work together.

Certainly it must be a team effort. It continues:

> The most worrying thing about a body corporate is that in effect as an owner you have fewer avenues for redress than a tenant if you feel you have been badly done by.

I cannot help but think of the elderly who may have their life savings invested in units. It further states:

> An owner cannot seek help from the Consumer Affairs Ministry, but a tenant can.

That statement relates to the situation faced by my constituent. The Ministry of Consumer Affairs cannot help. It says, "Take it to the residential disputes centre or the Magistrates Court". The article continues:

> Unlike some other States Victoria does not have a commissioner for strata titles to hear and decide on disputes. A commissioner has been appointed in New South Wales and Queensland.

I do not necessarily advocate the appointment of a commissioner but the Minister for Planning and Housing and the Minister for Consumer Affairs in the other place must properly address the problems evolving in body corporate disputes. We owe it to people who have decided to live in flats and units.

I hope that with the government's plans for urban consolidation ways of overcoming the continuing problems will be developed. We owe it to the people to develop proper procedures to arrive at binding resolutions for those involved in body corporate disputes.

I ask the Minister for Planning and Housing and the Minister for Consumer Affairs in the other place to take this matter into serious consideration.

Park Street, Carlton

Mr KENNETT (Leader of the Opposition) — I raise a matter for the attention of the Premier to whom I have tried to speak today; but she refuses to speak to me about the issue.

It refers to land in Park Street, Carlton where the government is again about to defy its own policy of creating and retaining open space in the inner city area of Melbourne for the long-term interests of the community. The government is handing over land it inherited in trust as part of a very fragile system of parks in Victoria. I refer to the old outer eastern railway line land, which is to be developed. The government intends using public funds for the development but will use a private contractor.

This matter has several elements which must be of great concern to this Parliament. One is the abrogation of the government's commitment to the environment. That is further reinforced by the statement of the Minister for Conservation and Environment, Mr Crabb, in a news release headed "Open Space 2000 needs you". It states:

> The Open Space 2000 program campaign sets out to generate pride in our open space and galvanises community support by offering a positive way in which people can get involved in metropolitan and greater Melbourne's environment.

Mr Cole interjected.

Mr KENNETT — It is not a matter of whether it is public housing. The honourable member for Melbourne, who is one of the members involved, sits back and condones one of the saddest sights I have seen when this morning the government, having sold out its policy and having given away the premium open space in the city, actually called in the police. Through no fault of their own — while carrying out instructions — the police came into conflict with our community. If the honourable member for Melbourne thinks that is acceptable, I do not.

Mr Cole interjected.

The SPEAKER — Order! The honourable member for Melbourne is out of his place and out of order. The Leader of the Opposition has a right to have the protection of the Chair, and he will have it.

Mr KENNETT — It is not about public housing, it is about open space. It is about a very small amount of open space in the metropolitan area. This government and the honourable members for Melbourne and Richmond are selling out. Not only are they selling out this fragile open space but also everyone — including those in Labor electorates — has rights. However, at that site today people were bleeding. At the site 60 policemen had instructions to protect — —

Mr Cole interjected.

Mr KENNETT — Rapes, burglaries and murders are being committed every day, but where are our

police? They are down in Carlton, having been sent by the government to attack public citizens.

Mr Cole interjected.

Mr KENNETT — I say to the Premier: if she supports the policies of her government she must reverse her decision to build on that open space area. We must retain it. The people of inner Melbourne, including those in Labor electorates, are entitled to open space. That will be denied them if we continue in this direction.

The people of Melbourne are entitled to have the Police Force used for the tasks it was trained; it should not be under instructions to attack citizens. A very unsavoury aspect of life was brought about today by the government,which aspires to care for the environment. Today the Premier stood here and, in answer to a question, spoke of her concern for the environment. She said, "We will raise it at the Premiers Conference" — what a load of rubbish! How can she argue she will raise something at a Premiers Conference when the government is raping and stealing the open space in electorates like that of the honourable member for Melbourne, and he is doing nothing about it?

Even worse, the government is then telling the police, "Go out there in numbers because we as a government will build on it". The honourable member for Melbourne says it is public housing but I do not care whether it is public or private housing.

Mr Cole interjected.

Mr KENNETT — Once you take away open space you cannot replace it. I say to the Premier and the government: at least be consistent in what you are talking about or forever accept the responsibilities for being totally hypocritical — —

The SPEAKER — Order! The Leader of the Opposition should address the Chair.

Mr KENNETT — You are deserting the electorate — —

The SPEAKER — Order! The honourable member should not attempt to involve the Chair.

Mr Seitz — Your time has expired.

The SPEAKER — Order! The honourable member's time has expired.

Snakes in Keilor

Mr SEITZ (Keilor) — The matter I raise is for the attention of the Minister for Conservation and Environment. It concerns a snake problem that occurs year after year at this time of the year, particularly in new areas like Keilor Downs and Kealba. Women are petrified to hang out the washing in their backyards because they may find huge tiger snakes there.

I ask the Minister to carry out a community education process and to ask the public authorities that own the land surrounding these new estates and homes to assist in clearing the land around the properties so that the hazard of snakes coming into backyards is eliminated.

I am told that snakes are a protected species. An article in the Institute of Public Affairs *FACTS* relates to an animal that is protected. It states:

> Royal Bengal tigers top Bangladesh's list of endangered species and a protective law bans their killing. It is estimated that 600 tigers live in the jungle. In 1989 they killed 150 people. Last year they killed 200. In March of this year they had improved their kill rate to 1.6 people per day.

I do not want the people of Keilor in Victoria to be mentioned in a similar article. I know snakes are protected but so are the children and the people in my electorate.

I ask the Minister to encourage the public authorities to clear the land adjoining these properties and, if necessary, remove the snakes to new habitats. The presence of snakes causes a lot of trauma to families of European background who have a perpetual fear of snakes, unlike Australians who are familiar with snakes and do not regard them as a problem.

Veneto trade delegation

Mr HONEYWOOD (Warrandyte) — I raise a matter for the attention of the Premier and it is shameful that she is not here because it is a matter of important government administration. In my capacity as convenor of the Office of Ethnic Affairs Committee, last night I had the pleasure of representing the Leader of the Opposition at an official welcome dinner for a delegation from Veneto.

The government has already spent some $800 000 of taxpayers' money in promoting a trade fair to the Veneto region in Italy some eighteen months ago.

This is the first delegation from Veneto to visit Melbourne in an attempt to create trade activity and jobs for Victorians. Last night 25 senior businessmen who had paid their own way to come here to find out about import and export opportunities in Victoria, were met by prominent Victorian businessmen including Mr Bruno Grollo and the Italian Consul-General. However, not one government-elected member was at the dinner to welcome these people.

The Italian Minister for manufacturing and industry from the Veneto region stood up and proposed a toast to the people of Victoria and to the trade that would be generated between Victoria and Veneto but there was nobody from the government present to respond. The Attorney-General sent down his arts adviser to represent him but she did not feel adequately placed to respond on behalf of the people of Victoria. There was a 10-minute pregnant pause while everyone scratched their heads to work out who should respond on behalf of the government. It fell to me as a junior backbencher to respond on behalf of Parliament and the people of Victoria.

It is disgusting that taxpayers' money went into promoting this State eighteen months ago but the government was not represented last night to meet this important delegation.

On top of that, the Spanish national day celebrations are an important day in the ethnic affairs calendar and the Consul-General — —

The SPEAKER — Order! The honourable member may raise only one matter on the adjournment.

Mr HONEYWOOD — I am raising a matter relating to ethnic affairs representation and to the proper administration of government. The diplomatic circuit is part of the Premier's responsibility.

The SPEAKER — Order! I suggest that the way in which the honourable member has raised the first matter does not enable him to raise a second example.

Mr HONEYWOOD — The Veneto situation last night comes on top of a lack of government representation for the Burmese people, the Vietnamese people and the Spanish national day celebrations for the Barcelona Olympics. Not only has Victoria been projected as a State that is not interested in other countries' issues but it is projected as not being interested in job creation for Victorians or for export opportunities.

The government is thumbing its nose at diplomatic representation. It is thumbing its nose at these representatives who paid their own way to come out here and who are trying to do the right thing after the government had spent $800 000 of our taxpayers' money. The best the government could come up with last night was to send an arts adviser to represent the interests of the Minister for the Arts. That is a disgrace to the Westminster system and to the administration of government and I call on the Premier to set some guidelines so that at least either a front or a backbencher is sent to represent the government and the people of Victoria at similar functions.

Wheat export industry

Mr STEGGALL (Swan Hill) — I raise with the Minister for Agriculture the attitude of the government to an announcement made last month by the Federal Minister for Primary Industries and Energy relating to the deregulation of the export marketing of Australian wheat and threatening to issue export licences to selected grain traders in Australia.

The Federal Minister has put together a working party made up of the Grains Council of Australia, the Department of Primary Industries and Energy and the Australian Wheat Board which will bring down an interim report in March next year.

The Minister for Agriculture should make a submission to that working party in an effort to maintain the orderly marketing structures that already exist in Australia for the export of our wheat crop. Australia has a single desk selling operation and wheat is sold on a market-to-market basis. Wheat is also sold on the international market through agents operating with the blessing of the Australian Wheat Board.

The single desk selling operation must be preserved because it places the entire overseas sales market through a single body, the Australian Wheat Board, so Australian grain entities are not competing against each other as is happening in other areas. The only way Australia can really compete on the international market against large companies such as Cargill, Bunge and Continental, is through the Australian Wheat Board being the single export marketeer.

For the first time this orderly marketing concept is being put at risk by the Federal Minister. The Minister for Agriculture should make a submission to the working party in support of that single desk selling operation so that that strong marketing tool is not downgraded throughout the world where it is highly regarded.

The deregulation of the wheat industry in the past few years has been controversial, but nothing so controversial as would occur as a result of the deregulation of the single export selling operation, as envisaged by Simon Crean, the Federal Minister for Primary Industries and Energy.

I ask the government to strongly argue a case on behalf of Victorian wheat farmers for the maintenance of a single-board operation under the auspices of the Australian Wheat Board.

Responses

Mr McCUTCHEON (Minister for Planning and Housing) — The honourable member for Dandenong raised a matter concerning bodies corporate. That falls under the jurisdiction of the Attorney-General, and I shall discuss that matter with him. Serious matters arise in the functioning of bodies corporate, especially when people are not satisfied with the mechanism and do not believe they receive fair hearings when bodies corporate are inadequately run. I believe it is an important issue, and I shall pass on his remarks to the Attorney-General.

The Leader of the Opposition raised a matter for the attention of the Premier, which I shall deal with because the Premier has written to the Leader of the Opposition in the following terms:

> I understand that you dropped into my office after your press conference on the matter, to seek a meeting with me on the issue of police handling of the Park Street demonstration.
>
> The proper process for discussing this matter is for you and/or your shadow police Minister and shadow Minister for planning and environment to discuss the matter with Ministers Sandon and McCutcheon and Chief Commissioner Kel Glare.

Mr KENNETT (Leader of the Opposition) — On a point of order, Mr Speaker, the Premier and the Minister have obviously misrepresented the situation. I did not call in to the Premier's office to speak about police brutality, I called in to speak to her about the desecration of the land that is being built on at the Minister's direction.

As has always been the case with Premiers Cain and Kirner and me, whenever we want to contact each other we each pay the other the courtesy of receiving and returning calls. This is the first time the Premier has refused to receive a deputation from me, taking into account the fact that I do not call her every day. That letter is incorrect.

The SPEAKER — Order! There is no point of order.

Mr McCUTCHEON (Minister for Planning and Housing) — The letter continues:

> Ministers Sandon and McCutcheon and Chief Commissioner Kel Glare are available to meet with you and/or your shadow Ministers at a mutually convenient time.
>
> Yours sincerely,
>
> Joan E. Kirner
>
> Premier

In response to a message from the Premier I contacted the Leader of the Opposition. I cannot say that our conversation was always rational and cordial because, as the House has just heard, he has strong views on the matter. But I shall reply to some of the matters he has raised.

Firstly, as to the question of process, the matter has been in the public arena since 1986. A working party of community representatives, chaired by the Honourable Barry Pullen, spent a great deal of time examining the public uses to which the inner circle railway land could be put.

The working party held discussions with local councils and community groups and came up with the recommendation that there should be a park link from Royal Park to the Edinburgh Gardens and that only three of the 16 hectares should be allocated for desperately needed housing, particularly for elderly citizens in the inner city area.

That process gave rise to amendments to planning schemes that affected the cities of Brunswick, Fitzroy and Melbourne. I believe the Melbourne City Council agreed to the changes and the City of Brunswick supported the amendments. Nevertheless, challenges and objections to the

proposed changes were made, all of which were heard by the Administrative Appeals Tribunal (AAT).

My response to the Leader of the Opposition, who supported those who demonstrated at Park Street today and who prevented people from exercising their right to enter the site, is to ask where he was when the working party consulted the local communities. Where was the opposition when the proposed amendments to the planning schemes were considered by the AAT?

When all those matters were being considered the opposition was nowhere to be seen. Now members of the opposition are coming out of the woodwork to support a demonstration by a limited number of people who oppose the building of elderly citizen houses for low-income people.

Mr Kennett interjected.

Mr Cole interjected.

Mr McCUTCHEON — As you can see, Mr Speaker, the issue has generated a certain amount of heat. The Leader of the Opposition had nothing to say when the working party considered the matter in detail. He said nothing when amendments were proposed to the planning scheme in line with recommendations made by the working party; and he said nothing when those matters were heard by the AAT.

Where was the Leader of the Opposition in 1987 when the planning scheme was amended?

Mr Kennett interjected.

Mr McCUTCHEON — That is now residentially zoned land.

Mr Kennett interjected.

Mr McCUTCHEON — You cannot get away from the fact that it is not public open space; it is residentially zoned land! The Leader of the Opposition must also take into account the fact that there is a green link between Royal Park and the Edinburgh Gardens that is zoned as public open space, and that land will be handed over at no cost to the three city councils.

It is disgraceful that the Leader of the Opposition has sided with a small group of people who do not want public housing to be provided for elderly citizens in an area where they have lived for decades and where they have every right to expect — —

Mr Kennett interjected.

Mr McCUTCHEON — Other sites have been mentioned, and they will be considered if appropriate. But there is always room for more housing for elderly citizens.

Mr Kennett interjected.

Mr McCUTCHEON — The Leader of the Opposition is incorrect in saying that there is no open space in that part of North Carlton. There is a considerable amount of parkland, including Royal Park, Princes Park and the Edinburgh Gardens. If he wants to take up the case for more open space he should look to an area 2 miles further south. He would be much better off arguing for open space in South Fitzroy than arguing the case he is at present.

I shall read into the record the community groups who support the move made by the government. They are: People for Parks and Public Housing Coalition, the Public Tenants Union, Shelter, the Salvation Army, Crossroads, the Brunswick Progress Association, the Inner Urban Residential Housing Council, the Brunswick City Council, the Fitzroy Community Health Centre, the Carlton Community Health Centre, the Fitzroy-Collingwood Accommodation Service and many church groups.

The actions of the Leader of the Opposition have been outrageous, and I hope he suffers as a result!

Mr HARROWFIELD (Minister for Small Business) — The honourable member for Ivanhoe raised a matter for the attention of the Minister for Gaming concerning the role of local government in planning decisions relating to the introduction of gaming machines. I am sure the Attorney-General will pass on his comments.

The honourable member for Murray Valley raised a matter for the attention of the Minister for Conservation and Environment, and I shall draw that matter to the Minister's attention. The honourable member for Keilor also raised a matter for the Minister's attention, and I shall pass on those comments to him.

The honourable member for Warrandyte raised a matter for the attention of the Premier concerning a delegation from Veneto. I am aware of his interest in

the matter and I shall certainly pass on his comments to the Premier.

The honourable member for Swan Hill voiced his concerns about wheat exports, especially as they affect Victoria, and I shall pass on his comments to the Minister for Agriculture.

Motion agreed to.

House adjourned 6.20 p.m.

Thursday, 31 October 1991

The SPEAKER (Hon. Ken Coghill) took the chair at 10.34 a.m. and read the prayer.

DISTINGUISHED VISITORS

The SPEAKER — Order! I should like to welcome to the Public Gallery the Mayor of the City of Mildura, Cr Shirley Penny, and the Deputy Mayor, Cr Roy Burr, who are accompanied by the senior administrative officer, Mr Mike Smark, all of whom are guests of the honourable member for Mildura.

Honourable Members — Hear, hear.

QUESTIONS WITHOUT NOTICE

PUBLIC TRANSPORT CORPORATION CONTRACTS

Mr KENNETT (Leader of the Opposition) — I ask the Minister for Transport whether he knew, before the Premier called him from Noosa, that Mr Gordon's contract had been signed. If so, why did he tell the Premier he was shocked at the news; and when will he finally tell the truth to the Parliament and the public of Victoria?

The SPEAKER — Order! The part of the question that includes innuendo is out of order!

Mr SPYKER (Minister for Transport) — It has been Peter Spyker's week. At least no-one can say that I have not earned my keep this week, given the number of questions I have answered.

I have made it quite clear on many, many occasions that the advice I received continually from the Chief Executive Officer of the Public Transport Corporation was that the contract was unsigned; and to this date I have never seen a signed copy.

I would have to say that, given the number of issues facing transport, it is about time the opposition addressed transport issues. The community is sick and tired of this behaviour, and the honourable member for Box Hill made that clear yesterday. I want to discuss the great improvements we have made in transport, because that is what the community is interested in, and that is what I will continue to do.

Mr McNAMARA (Leader of the National Party) — I direct to the attention of the Minister for Labour an answer given by his colleague, the Minister for Transport, to a question in the House this week, when he stated that half of Mr Parkinson's salary was paid by the Department of Labour. I ask the Minister whether, if that is correct, he approved the employment of and the contract for Mr Parkinson; and if he did not, who did?

Mr POPE (Minister for Labour) — Yes, I agreed with the Minister for Transport with respect to the employment of Peter Parkinson. Not only did I agree with the Minister's appointment of Mr Parkinson, I was very pleased that he appointed him.

Peter Parkinson is one of the foremost people in industrial relations in Victoria. I believe it was an excellent appointment, one that I certainly fully supported and still support.

Mr Parkinson has assisted greatly in maintaining industrial harmony during his time in the transport area acting as a conciliator between the unions and the employer.

Mr McNAMARA (Leader of the National Party) — On a point of order, Mr Speaker, the Minister is attempting to debate the issue. The question I asked — —

Honourable members interjecting.

Mr McNAMARA — The question I asked was quite specific, and I ask you, Mr Speaker, to direct the Minister back to the question. He has answered the first part of the question I asked, but I ask you to ask him to answer the second part, which is whether he also approved the contract.

Mr ROPER (Treasurer) — On the point of order, Mr Speaker, the first part of the Leader of the National Party's question clearly asked whether the Minister for Labour was involved in the employment of Mr Parkinson.

The Minister for Labour is explaining to the House both how he was involved and why he believes it was a most appropriate appointment. Indeed, the Minister is embarrassing the Leader of the National Party in so doing.

In terms of the point of order, the Minister is currently answering the first part of the question and no doubt will answer the second part of the question later. As you have ruled on many occasions, Mr Speaker, Ministers have the capacity to answer questions as they see fit, so long as they do not debate the issue. At this moment the Minister is explaining, very cogently, why Mr Parkinson was appointed.

The SPEAKER — Order! The honourable member raised two matters in his point of order: the first was whether the Minister for Labour was debating the question; I do not uphold that point of order. The second was whether the Minister was responding to the point of the question; at this stage of the Minister's reply I am unable to uphold that point of order, but I ask the Minister to respond to the question in its entirety.

Mr POPE (Minister for Labour) — I intend to answer the question in its entirety, Mr Speaker. With respect to the employment of Mr Parkinson, yes, I was very supportive of the decision to appoint him as a conciliator and that support has borne fruit in the way he has carried out his duties. With respect to the contract, no, I did not.

GOVERNMENT INITIATIVES FOR DANDENONG AREA

Mrs WILSON (Dandenong North) — I ask the Premier to advise the House of government initiatives that will create infrastructure and jobs —

Honourable members interjecting.

The SPEAKER — Order! It is impossible for the Chair to hear the question because of the interjections of the Leader of the Opposition, and I ask him to remain silent and respect the Chamber. I ask the honourable member to recommence her question.

Mrs WILSON — I ask the Premier to advise the House of any government initiatives that will provide infrastructure and jobs for the Dandenong area through the Better Cities program.

Ms KIRNER (Premier) — I thank the honourable member for her question and her commitment to the Dandenong area.

Mr Leigh — Not after the elections!

Honourable members interjecting.

The SPEAKER — Order! Almost every day I have had to issue a warning to the honourable member for Malvern. If the honourable member is unable to conduct himself properly in the Chamber, I suggest he leave it; otherwise he should remain silent.

Ms KIRNER — In developing the last two State Budgets my government has done all it can to ensure that the development of infrastructure in the rapidly growing outer areas has been given high priority. Dandenong and the south-eastern corridor are among the areas that require real emphasis.

It is clear that Dandenong will be the second city of Victoria, and therefore my government wants to ensure that not only do we deliver appropriate services but that appropriate capital works infrastructure is provided. It is important in developing the infrastructure to ensure that it is integrated. It is not just a matter of a school here, a house there and a transport extension somewhere else, it is a matter of creating a community. This is not about the simplistic notion of pump priming. This is about building new communities.

All local members share a concern about how and when these effective services will be delivered. Some media reports have suggested that the Dandenong area is not a priority. In fact, some media reports have had the audacity to suggest that this fantastic area is a ghetto. I do not believe that is terribly helpful, and a quick check of the kinds of funding my government has provided in the Australian infrastructure program over the past few years shows that seven schools have been finished, four housing projects have been carried out, new community service facilities have been built and psychogeriatric home services have been provided, as have major new road works, gas and fuel facilities and parks. The end amount of that expenditure in the last financial year would be $98 million.

But we are not going to stop there. The final form of our Better Cities proposal, which the Minister for Planning and Housing has been developing with the Deputy Prime Minister, Mr Howe, will go to Canberra next week. It contains proposals for major developments in each growth corridor, and that will create both effective communities and effective jobs.

The essential component for the Dandenong area is a $29 million proposal for transport that includes a major station and modal exchange upgrades for Dandenong, Hallam, Narre Warren and Berwick, track upgrades at Cranbourne and Dandenong, new

Sprinter trains and works in the precincts of the Dandenong station.

It is clear that Dandenong must be developed as a hub of economic and commercial activity, and it is pleasing to see that the private sector also has confidence in the area. There are major proposals for the upgrade of the retail area in the Dandenong central district.

There has been some criticism from Canberra of my constant pressure on the issue of employment. We are prepared to play our part; we are putting up to $98 million in a year into basic infrastructure for the area. We are now asking Canberra to play the game with us — on interest rates, on business taxation, on infrastructure, on major projects and on the Better Cities program — and we look forward to the Commonwealth government making its entrance onto centre stage in encouraging employment in Australia.

PUBLIC TRANSPORT CORPORATION INVESTIGATIONS

Mr BROWN (Gippsland West) — I direct a question to the Minister for Transport. I ask: is it a fact that staff in the Public Transport Corporation's freight claims unit have been investigated by the police Criminal Investigation Branch concerning charges of theft, deception and false accounting? Have the PTC employees under suspicion been suspended from duty, are they being paid and will charges be laid?

Mr SPYKER (Minister for Transport) — It is the height of irresponsibility to raise this sort of issue in a public forum when investigations are being carried out, because they must be carried out in a confidential way. The honourable member ought to recall the inducements he offered to people he meets with at the Liberal Party's head office. I think it would be better if he refreshed his memory on that.

Mr BROWN (Gippsland West) — On a point of order, Mr Speaker, the Minister has indicated that I offered some form of inducement to people I met with. That is false; it is a blatant untruth. I take personal exception to that innuendo and I ask the Minister to withdraw it totally.

The SPEAKER — Order! There was an imputation. I ask the Minister to withdraw.

Mr SPYKER — I withdraw, but I would be happy to make available the statutory declaration I received. Here it is. I put it on the table. I am trying to ensure that investigations are carried out in a confidential manner, and I repeat that the honourable member for Gippsland West is totally irresponsible in raising this matter in Parliament in this way.

SOUTHBANK MUSEUM PROJECT

Mr MATHEWS (Oakleigh) — I ask the Minister for Major Projects what progress — —

Honourable members interjecting.

The SPEAKER — Order! I ask honourable members, particularly those on my left, to remain silent. The Chair cannot hear the question, and it is obviously difficult for others to hear it.

Mr MATHEWS — I ask the Minister for Major Projects — —

Honourable members interjecting.

The SPEAKER — Order! The honourable member for Ballarat South is making it very difficult for the entire Chamber. I ask him to remain silent.

Mr MATHEWS — I ask the Minister what progress has been made with site works for the museum at Southbank, and when will it be possible for Victoria's great museum collections to be properly protected and displayed for the first time in our history.

Mr KENNAN (Minister for Major Projects) — I thank the honourable member for his question and for his ongoing interest in the area of the arts, for which he was such a distinguished Minister.

This government has had a long-term plan for rebuilding our major cultural assets. Of course honourable members will be aware that back at the turn of the century the building on the corner of La Trobe and Russell streets housed the National Gallery, the Museum of Victoria and the State Library and was one of the greatest buildings of its kind in the world. For generations not much happened until this government took on the responsibility of the planning for the new museum at Southbank and the Scienceworks museum at Spotswood, together with the work being done on the infill buildings at the library.

In her June economic statement the Premier announced the allocation of some $16 million to the

building of the new natural history museum at Southbank. All the preliminary work is now complete, the site is clear, and the designs are ready. It is part of the completion of this government's great vision for the development of Southbank and for development along the south of the river, which is so visibly coming to fruition now.

This week the Major Projects Unit has called for tenders for the piling for stage 1 of the museum at Southbank. Tenders will be open for four weeks, until the end of November, and the unit expects to have assessed the tenders before Christmas so that a tender can be accepted at the start of the construction year and work can actually commence in January.

This is a major step forward in long-term planning, I suppose, that has taken several generations to come to fruition. Piling will proceed for the first stage of the museum, including exhibition space and some commercial and entertainment facilities. The first stage of the museum is a project worth more than $100 million. Earlier this year, in conjunction with the Treasurer, we sought registrations of interest from the private sector for the financing and construction of this museum project.

I am pleased to be able to advise the House that we have had very strong registrations of interest from the private sector in the financing and construction of the museum. A considerable number of firms have been shortlisted and they are now preparing detailed submissions to be ready by January 1992.

This is a major initiative, not just for the Southbank development and not just for strengthening the role of Melbourne as the cultural capital, but also for furthering the job strategy that the Premier has been pursuing with such vigour.

This museum project will take some years to complete but the construction of the Scienceworks museum at Spotswood has now been almost completed. The fitout is going on there at the moment and the museum will be opened by the Premier in February. The exhibition and fitout are proceeding on time and honourable members and members of the public will be aware from the work that is so visibly nearing completion in Russell Street and La Trobe Street that the new infill buildings for the State Library are well under way, as is refurbishment of its historic premises in Swanston Street.

PUBLIC TRANSPORT CORPORATION CONTRACTS

Mr GUDE (Hawthorn) — I direct a further question to the Minister for Labour and refer him to his answer to the earlier question, in which he said that he had not been contacted about or approved the contract for Mr Parkinson. Given that his department contributed 50 per cent of the salary costs — some $51 000 — and still does, will the Minister advise who did give that authorisation and approval and when was it given?

Mr POPE (Minister for Labour) — As I have already said, I supported the employment of Mr Parkinson and I still support it; he is an excellent officer. I have already said that I was unaware that there was a contract. With respect to the payment of Mr Parkinson, in March this year the Department of Labour received an invoice for approximately $30 000 for employment from 1 July last year.

PAYMENT TO TRANSPORT EMPLOYEE

Mr STEGGALL (Swan Hill) — Will the Minister for Transport confirm that his friend and former member of his personal staff, Mr Gordon, earned a total of $191 000, including his payout, for sixteen months work on the Minister's staff on the basis of a contract that Mr Gordon drew up himself?

Mr SPYKER (Minister for Transport) — As I have said previously in answers given over the past couple of days, the matter is under investigation by the Acting Chairman of the Public Service Board.

I believe in natural justice, but no-one can believe anything said in Parliament by members of the opposition; they have been wrong on a number of occasions. As you indicated, Mr Speaker, instead of debating issues of importance to the community, members of the opposition simply blacken the names of various people. When they have been proved wrong, as in the case of Frank Sibberas and Robert Ardollic, they do not even have the guts or the courage to apologise.

The inquiry being carried out by the Acting Chairman of the Public Service Board is in the interests of natural justice and the proper process.

RURAL ADJUSTMENT SCHEME

Mr F. P. SHEEHAN (Ballarat South) — Has the Treasurer had examined the decision of the Federal government to increase funding to the Rural

Adjustment Scheme; if so, what effect will the proposed changes have on Victoria's hard-pressed farmers?

Mr RICHARDSON (Forest Hill) — On a point of order, Mr Speaker, the question clearly asks for an opinion. The honourable member asked what effect on Victoria's hard-pressed rural economy will result from certain Federal actions. That clearly asks for an opinion and speculation, and I ask that you, Sir, disallow it.

Mr ROPER (Treasurer) — On the point of order, Mr Speaker, it is significant that the only occasion on which members of the coalition raise agricultural matters is during points of order raised to prevent the House from getting information. The question was asked of me because of my Ministerial responsibility in relation to the Rural Adjustment Scheme, which is administered by the Rural Finance Corporation (RFC).

The commission has examined the announcement by the Commonwealth government and provided its estimate of the effects it will have on the Victorian farming community. That is a proper matter for this House to know about. I am sure members of the National Party are more interested in it than members of the Liberal Party.

The SPEAKER — Order! In so far as it is possible to estimate the possible effects of the funding that has apparently been provided, as suggested in the question, the Treasurer will be in order to provide information. However, he will not be in order if he simply provides an opinion. I do not uphold the point of order.

Mr ROPER (Treasurer) — I thank the honourable member for Ballarat South for his question. Members of the government are concerned about the huge crisis facing many Victorian and Australian farmers, particularly those in the wool and wheat industries.

The government welcomes the additional funding the Commonwealth government has said will be made available. However, I shall suggest that other action also needs to be taken.

The government also appreciates the work the Federal Minister, Simon Crean, has done to improve and widen the access of farming families to social security and related benefits. Particular difficulties are faced by families who on the surface appear to have substantial assets but whose assets are currently providing either no income or, depending on the funds they have to provide to their creditors, almost negative income.

As I said, the additional funds and the social security changes are welcome. But I have to say it is absolutely necessary for the States to keep on pushing the Commonwealth on this issue.

In terms of part A of the Rural Adjustment Scheme, we will have received some $8 million this financial year, which is well short of the $14 million that the RFC believes is required. However, it is double what it was before: it was $4 million before; it is now $8 million. We believe we have made some progress. New South Wales and Victoria will again have to put material before the Federal Minister for Primary Industries and Energy, Mr Crean, and the Federal government to ensure that we do not run out of funds next February or March as we would at present. It would be an appalling thing if the RFC had to say to farmers who had need of assistance but whose need had not crystallised until February or March, "No, sorry, you have arrived too late. You can't get assistance".

The response of Mr Crean, the Federal Minister, has been very good, but one would have to say that he was not able to get what he would have liked. Even some of the additional funds are short-term funds, available only for two years and not for the seven-year program that we really need if we are to assist in the restructuring of rural industry so that it can maintain its viability in the long term. Indeed, the current gap between the $8 million and the $14 million is equivalent to restructuring financing of up to $50 million in terms of actual assistance to the farmers.

It has been suggested that the States are reluctant to bring on part B of the scheme. Part B is for just short-term, basically carry-on, finance for one year. We have never been reluctant to introduce part B, but we believe part B is of limited value in dealing with the kinds of structural problems that we have.

Mr Honeywood interjected.

Mr ROPER — It is interesting that the honourable member for Warrandyte would say, "Four minutes — too long". There has not been a question from the Liberal Party on an agricultural matter in these sittings or the previous sittings that relates to the long-term viability of rural groups such as those in the wheat and wool areas! The terms of the Rural Finance Corporation — —

The SPEAKER — Order! There is far too much interjection coming from both sides of the House. I ask particularly the Minister for Small Business to remain silent. I remind the honourable member for Warrandyte that his interjection has simply extended the Treasurer's answer and made what was a moderately long answer into a long answer. I ask the Treasurer to round off his answer.

Mr ROPER — The RFC has advised me that, although it certainly does not believe there will be the need this year for the short-term finance the Commonwealth has suggested, it is working on the triggering of part B. I make it clear that both the State government and the RFC will ensure that the funds are available for part B if in fact they are required.

The last issue is a major concern for this State and, again, New South Wales, and Queensland. It is the ending, effectively, of drought assistance through the National Disaster Scheme. Queensland and New South Wales are already suffering from that, and funds for fodder and agistment and water supplies for rural towns and so on will apparently no longer be covered. We will be having discussions with the governments of Queensland and New South Wales to see if we can get that changed, and I hope we can get bipartisan support for so doing, because that will severely affect Victorian farmers the next time there is a significant drought in this State.

PUBLIC TRANSPORT CORPORATION CONTRACTS

Mr BROWN (Gippsland West) — I refer the Minister for Transport to his admitted involvement in the renegotiation of the Parkinson contract, which took effect from 9 September 1991 and ask: why, just five days later, did the Minister tell the public that he never got involved in matters affecting the salaries and conditions of Public Transport Corporation employees?

Mr SPYKER (Minister for Transport) — I really get frustrated with the honourable member for Gippsland West. He really must be thick. It is unbelievable. Did you listen to the answer I gave earlier this week? Didn't you understand it?

The SPEAKER — Order! The Minister should address the Chair.

Mr SPYKER — No wonder you lost the leadership!

The SPEAKER — Order! I ask the Minister to address the Chair, not the honourable member who asked the question, and to address himself to the question.

Mr SPYKER — As I indicated earlier when the question was asked by the former Leader of the Opposition — and once this session is over he may be Leader again; it's pretty desperate stuff when you look at the polls this morning — the proper process is that, if a recommendation comes from the chief executive officer I consider it, and if I believe it is a proper recommendation I accept it.

The SPEAKER — Order! The time for questions without notice has expired.

PRIVILEGES COMMITTEE

Mr KENNETT (Leader of the Opposition) — On a point of order, Mr Speaker, I wish to raise for your attention an important matter concerning the Privileges Committee. You will recall that the Chairman of the Privileges Committee, the honourable member for Clayton, presented a special report of the committee to this House on Thursday, 24 October.

The special report, and the requests contained in it, were unanimously agreed to by members of the House when the details were made known to us.

Based on an article that appeared in the *Herald-Sun* under the heading "Stoney tells on contract" the Privileges Committee requested that its terms of reference be extended to examine what could potentially be a breach of privilege. The House agreed that it was a serious matter.

Given the nature of the special report and the committee's request to the House that the terms of reference be extended, and also the fact that persons and organisations outside Parliament are affected, I ask you to take up with the Chairman of the Privileges Committee the reasons why the committee has not yet met on those issues.

Honourable members interjecting.

Mr KENNETT — I know because there is a notice board outside the doors of the Chamber that indicates when the Privileges Committee is sitting, and the committee has not given notice that it is to sit.

Given that Parliament was asked to extend the committee's terms of reference, that there are only two weeks or so before the end of these sittings, and that the committee should deal with the issue before the House rises, it is important from your point of view and Parliament's point of view that you request the Chairman of the Privileges Committee to consider the matter as quickly as possible.

I have raised the matter in this fashion because there is no other way for a member to raise the issue without being in breach of privilege and in light of the urgency of the matter.

Dr VAUGHAN (Clayton) — On the point of order, Mr Speaker, the Leader of the Opposition is not in a position to have knowledge of the deliberative meetings of the Privileges Committee.

Honourable members interjecting.

The SPEAKER — Order! There is no point of order. This is not a matter in which the Chair has a role. The matter is properly before the Privileges Committee and it is up to the Privileges Committee to deal with the reference made to it by the House.

PETITIONS

Montague Continuing Education 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 Victorian Ministry of Education and Training has stopped student enrolments at Montague Continuing Education Centre, and in doing so:

1. Has failed to recognise the value of this unique and outstanding educational setting.
2. Is denying other families with a disabled student the choice and access to this centre.
3. Has savagely attacked Montague Continuing Education Centre with no regard to its leadership role in transitional and vocational training for disabled students in Victoria.

Your petitioners therefore pray that the Minister for Education and Training will immediately direct that enrolment procedures for Montague Continuing Education Centre be resumed, thereby clarifying the future of this most valuable educational setting for the disabled.

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

By Mr Walsh (1028 signatures)

Sunday trading

To the Honourable the Speaker and members of the Legislative Assembly in Parliament assembled:

The petition of the undersigned citizens of the State of Victoria respectfully sheweth:

(1) That we oppose any extension of trading hours for general shops on Sunday.

(2) That we believe there are more than sufficient shopping hours (137) available under Victorian law to permit general shopping to be carried out within legally prescribed hours.

(3) That we are concerned at the impact of Sunday trading on religious observance and family activities.

Your petitioners therefore pray that the Legislative Assembly will uphold Victoria's shop trading laws and oppose any extension of present Sunday trading hours for general shops.

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

By Mrs Ray (65 signatures)

Laid on table.

PAPERS

Laid on table by Clerk:

Anti-Cancer Council — Report for the year 1990-91.

Chiropractors and Osteopaths Registration Board — Report for the year 1990.

Film Victoria — Report for the year 1990-91.

Law Reform Commission —

Report No. 40 on Homicide together with Appendix 6: Homicide Prosecutions Study.

Marine Board of Victoria — Report for the year 1990-91.

Mental Health Act 1986 — Report on Activities of Community Visitors for the year 1990-91.

National Tennis Centre Trust — Report for the year 1990-91.

Sport and Recreation Department — Report for the year 1990-91.

Statutory Rules under the following Acts:

Drugs, Poisons and Controlled Substances Act 1981 — SR No. 194.

Teaching Services Act 1981 — SR No. 207.

GRIEVANCES

The SPEAKER — Order! The question is:

That grievances be noted.

Mr KENNETT (Leader of the Opposition) — Today I wish to raise a matter that, in my opinion, goes to the very heart of the process of government: the accountability of Ministers and the standards of propriety, integrity and decency that the community expects from any person holding high office.

By any measure the standards set by the government have clearly declined to the point where the community has simply lost faith in Labor's capacity and willingness to honestly and openly conduct the affairs of government.

The Labor government has a special pedigree when it comes to matters of accountability and propriety. It is of no surprise that, in October 1991, we are trying to establish the truth of the involvement of a particular Minister, the Minister for Transport, in one matter of accountability; nor that he has, as one of his fellow players in this scandal, an individual who, with the Labor Party, was part of the Nunawading electoral scam in 1985. Years after that incident the same people, like the honourable member for Thomastown, for example, are still active players either in Parliament or in other public affairs. It must be of great concern to the community that the Labor Party, having set a trend of deception and deceit as far back as 1985, continues that process in 1991.

The Nunawading voting scam and the cover-up on the Victorian Economic Development Corporation (VEDC) prior to the 1988 election were both classic illustrations of what happens when Ministers of government flaunt their power, their resources and their knowledge for party political gain at the expense of the community.

In both cases it was the cover-up and it was the lies that ultimately led to the downfall of certain individuals. The Nunawading how-to-vote scam was totally unacceptable and, in my opinion, totally illegal. If the matter had been pursued in another State, such as Tasmania, where there has been a more recent illustration of improper involvement, other actions would have been taken.

In the case of the VEDC, it was government policies that led to the waste of community moneys and it could have been argued that loss of community moneys was a mistake of policy, had the government come clean the moment the issue was raised. The fact that the government then entered into a massive cover-up led, I believe, to the ultimate downfall of the Deputy Premier of the time, the honourable member for Footscray, an individual who is perhaps one of the few who has a good working appreciation and knowledge of the operations of Parliament itself.

Those things occurred under the leadership of the then Premier, the honourable member for Bundoora, who has paid the ultimate price for those cover-ups and the bad policy administration of his government.

The current Premier was at his side as a senior Cabinet Minister and Deputy Premier during that period. One hoped that following the change in leadership there would be a change of philosophy and attitude; that Parliament would be restored as a role model to regain the confidence of members of the community that those they elected would uphold the highest standards of decency and propriety; and that the Premier herself, as the highest elected official in the State, would not only set a standard but would ensure that that standard was upheld. That has not happened.

It is regrettable that the pattern of deceit has not only continued but has intensified under the Premier's leadership. It is ironic that on one hand the Premier accuses the Prime Minister of failing to show leadership on jobs — it is a good political position for the Premier to be in because we are all concerned about jobs, and it enables her to divert attention away from the fact that the government caused much of Victoria's unemployment — yet on the other hand fails to show leadership herself in the administration of Victoria.

It is not good enough for the Premier to continue the pattern of deceit and cover-up that has been evident since she became Leader. We have only to examine the latest Auditor-General's report to realise how the government thumbs its nose at authority, due process and proper Parliamentary accountability. That report, as was last year's report, is a damning indictment of the government's malpractice, shonky

buy-now, pay-later deals and so on. There is no doubt that after the change of government many more schemes that are currently being entered into by the government that delay payment and responsibility into the term of the next government will be discovered.

It has taken the vigilance and courage of the Auditor-General to expose in the starkest terms the financial maladministration that is the hallmark of the government. It has taken the persistence of the coalition to expose a pattern of deceit, cover-up and abuse of the public purse in matters affecting the termination and payout of massive sums of taxpayers' money to government officials.

If there is one thing the people of Victoria, whether they are employed or unemployed, despise at the moment it is those persons employed on the public payroll who are not living up to their part of the contract. Unfortunately for the public, those people permeate many sections of the Public Service and, in many cases, are friends of the Labor Party.

Day in and day out since 12 September the opposition has pursued Mr Spyker, the Minister for Transport. We have pursued him with one goal in mind: to establish the truth. Until recently the buck has always stopped at the desk of the Minister, but the Minister for Transport has allowed a friend of his, who was employed for approximately one year, to walk away with a $95 000 payout on the basis of an unsigned contract that was not, as the Minister has consistently said, a normal Public Transport Corporation contract.

The Minister for Transport has consistently misled Parliament. On occasions the opposition has raised with you, Mr Speaker, matters on which the Minister has deliberately misled Parliament and which must be sent to the Privileges Committee.

Mr Speaker, as is your right you have adjudicated on these issues. In one case you sent the matter to the Privileges Committee and in another you did not. With each passing day the width and depth of the involvement of the Minister for Transport continues to raise more questions than answers. The Minister has demonstrated clearly that he is unfit to hold Ministerial office.

The Minister initially accused the opposition of attacking him on the basis of race, in particular the country of his birth, and the fact that he came from the factory floor. Not once has the opposition ever criticised the Minister on those issues. I fully embrace the concept of the immigration program and I believe Parliament is enhanced by having members who represent other than Anglo-Saxon communities, regardless of the side of the House on which they sit.

Mr Baker — There are not many on your side.

Mr KENNETT — There will be after the next election. The opposition believes that if Parliament is to represent a wide cross-section of the community it should represent all interests and backgrounds.

The opposition has never attacked the Minister because he happens to come from the shop floor — the honourable member for Malvern is a carpenter and a tradesman. The opposition's interest in this affair has nothing to do with the Minister's origins or his employment record. The Minister entered Parliament and took up Ministerial responsibility voluntarily. He must be prepared to uphold the high standards associated with those responsibilities under the Westminster system, but he has not.

The Minister has continually failed to accept responsibility either for his own actions or those of his department. The Premier has her own version of Ministerial responsibility, which relates only to the responsibility of public servants! The Premier has backed the Minister and has refused to exercise convincing leadership; certainly not the leadership qualities she uses when she calls on the Prime Minister to develop employment initiatives. The opposition is concerned at the amount of time the Premier is taking to abuse the Prime Minister and the Federal government, and to defend the Minister for Transport. It is clear that no-one is running the State of Victoria, particularly not the Premier.

The opposition has said all the time that its objective is the truth. The Minister's initial crime may have been his involvement in the scandal and lack of control over his department, but the larger crime now is that at all times he has tried to cover up the affair. He has given conflicting answers and misled Parliament. The opposition is no clearer in its knowledge after weeks of questioning, yet the function of the opposition and one of its roles in Parliament is to elicit the truth! The Minister, the Premier and the opposition are more confused now than they were at the start of the process. It clearly demonstrates that during the past three months the Minister has failed to give a coherent and honest account of his involvement in this affair.

I said earlier that the deceit and the cover-up of her predecessor's leadership are continuing under this Premier's leadership. We have seen it in the Ms Jones affair involving former Minister Mr Mier; we have seen it with Ms Morrow's retrenchment. Now we are seeing it with Mr Gordon and Mr Parkinson, and with Mr Spyker, Mr Pope and other Ministers who we believe have known of this particular issue since well before the Premier claims she first knew of it.

At every turn in its search for information the coalition has been thwarted. Day after day in question time we have tried to give this Parliament an opportunity to elicit the truth and to have the Minister for Transport come clean and put the matter behind the Premier, the government and himself so that we can get on with the affairs of State.

But what is more important? If you cannot trust your Ministers, your highest elected officials, and if the public can have no confidence in them, how can we have confidence in any of them or in the administration of the State per se?

It is a fundamental tenet of Ministerial responsibility that Ministers who voluntarily take on the Ministerial role must accept not only the traditions but the practices of that high office.

After weeks of questioning we are left in the situation today where we believe the Minister for Transport still continues to deny us the truth about his involvement and the involvement of others around him. It is simply not good enough for this matter to continue unresolved. Therefore, based on the questions to the Minister this week and today, I will be seeking, on behalf of the coalition, to have our colleagues in the Upper House, in the week after next, give notice of a motion that a full Upper House committee be set up to inquire into not only the affairs concerning the Minister for Transport and the Public Transport Corporation but also other matters that have been directed to our attention, like the Morrow affair and others, so we can elicit the truth.

If we had not been misled over the Nunawading Province re-election scandal, the Victorian Economic Development Corporation, the Mier affair and the Morrow affair — in fact, with regard to the Mier affair we finally reached the position where the Premier said, "You did not ask me that question and that is why I did not tell you the truth" — if we had not been misled all the way, we would not have had to come to the conclusion that we cannot trust this government.

The people do not trust this government. They want to trust a government, and they would even be prepared to trust this government, but it has to give them reason to do so. It has not, does not and will not.

Therefore we have no alternative but to ask our colleagues in the Upper House to use the Parliamentary process to do everything they can to establish the truth so that this issue can be put behind us. If our colleagues in the Upper House agree, the committee to be established will relate not only to the PTC and the Spyker affair but will have broader terms of reference designed to elicit the truth on a whole range of issues. If our colleagues agree, the notice of motion for the establishment of this committee will be given on Tuesday week. It will be set up at some time during that week, it will then start to sit in December and I imagine it will sit in January and February.

Mr Baker interjected.

Mr KENNETT — The Minister for Agriculture says it is another stunt. We have tried to use all the processes decently and responsibly. We have tried the avenue of the Privileges Committee and we have tried to use the processes of this Parliament. But this government still believes in its arrogant way that it can deny the truth and walk away from responsibility. It cannot do so. Government members owe their employment and position to the people of Victoria.

The government must remember that it is the servant of the people. If it continues to deny the people the truth, that will cripple it, and will continue to cripple the confidence of this community in its elected government at a time when this community needs confidence.

More than anything else, the people of Victoria now want to trust a government. They want to believe and to hope, and I would even go so far as to say that they are prepared to trust in the government if the government will give them the opportunity of doing so.

It is more important than anything at the moment that the community starts to rebuild the State, but it cannot rebuild until we have an honest government. Unfortunately, we do not have a Premier who insists on high standards of honesty and decency in Parliament, and until the highest elected officer is prepared to accept unto herself high standards, and

impose them on her colleagues, Parliament will continue to be denied the truth.

We will pursue this matter because at this stage, after weeks and weeks and weeks, we have done all in our power, using the system currently available to us, to have the Minister for Transport accept the responsibility that goes hand in hand with Ministerial responsibility.

He has failed, and the Premier has failed, but like everything else in every other circumstance, the truth will ultimately prevail.

The SPEAKER — Order! I call the honourable member for Shepparton, but before doing so I remind the House that this is the honourable member's first speech as a member of Parliament and I ask that the normal courtesies be extended to him.

Honourable Members — Hear, hear!

Mr KILGOUR (Shepparton) — I am pleased to represent the people of Shepparton in the Victorian Parliament. The seat of Shepparton is quite small in area compared with many of the other country seats — it is less than 2000 square kilometres — but its population is 84 per cent urban, because it is based on the City of Shepparton, which is nestled on the east bank of the Goulburn River, some 170 kilometres north of Melbourne, and is the fourth largest regional city in Victoria.

The other major towns in the Shepparton electorate include Mooroopna, on the west bank of the Goulburn River, which is only 3 kilometres from Shepparton, and further west the town of Tatura, which incorporates the headquarters of the Shire of Rodney. Some of the smaller towns in the Shepparton electorate include Murchison, Tallygaroopna, and Dookie — the Dookie Agricultural College is nearby.

I am fully aware of the fact that I follow three great Country Party and National Party members in my representation of the seat of Shepparton. My predecessor, Mr Peter Ross-Edwards, gave 24 years of magnificent service to the people of the Shepparton electorate and to the State of Victoria.

Prior to Mr Ross-Edwards's representation, the people of Shepparton were represented by the former Leader of the Country Party, the late George Moss, and prior to that by a former Premier of Victoria, the late Sir John McDonald.

I come from a rural background, having been raised in the small Goulburn Valley town of Katamatite. I am the son of a general storekeeper in that town and there were five children in my family.

At this stage I warn honourable members that I do have an identical twin brother, and that causes some problems at times. I ask honourable members to please understand that if they happen to speak to me in the corridors or in Queen's Hall and I refuse to acknowledge them, they may not be speaking to me; they may have spoken to my twin brother — and they certainly will not be able to tell the difference!

After leaving country Victoria to finish my radio college education I embarked on a radio career, and for the past 23 years I have been involved both full time and part time in the radio and television industries, particularly specialising in the art of sports commentary.

For the past seventeen years I have been involved in the dairying industry as the sales and marketing manager of a Shepparton dairy company.

The City of Shepparton was the first city in Australia to be proclaimed a solar city; in Shepparton we enjoy more sunshine that do people on the Gold Coast — more than 7 hours a day — and it has been known as the solar city since 1986.

Shepparton is a modern, vibrant, well-planned city that certainly serves the business needs of the area up to around 100 kilometres from its centre.

However, it was irrigation water that made Shepparton what it is today. Irrigation first came to the Shepparton area in 1912 when a pump was placed on the banks of the Goulburn River to service some small allotments. In the late 1940s and early 1950s the Goulburn River was dammed at Eildon and the East Goulburn Channel brought the lifeblood of irrigation water to the dusty wheat and sheep town of Shepparton and turned it into the lush green food bowl of Victoria as we know it today.

The City of Shepparton encourages people to visit it to see its magnificent sights. It is not far up the road. An hour's drive up the Hume Highway to Seymour and a further hour up the Goulburn Valley Highway, and you will be made most welcome in the City of Shepparton.

It was the diversity of its agricultural industries that made Shepparton what it is today. It has prospered

and developed into the best rural city in country Victoria.

Shepparton is synonymous with fruit — the peaches, the pears and the apricots are processed at the two giant canning companies in the Shepparton electorate, SPC Ltd in Shepparton and Ardmona Fruit Products Cooperative Co. Ltd in Mooroopna.

Unfortunately both of those companies are facing an uncertain future because of the huge amount of canned fruit that is highly subsidised by overseas countries and dumped in Australia today.

The Federal government and State governments throughout Australia should be putting barriers in the way of products that are coming into our country, causing our people to lose their jobs and causing hardships for canning companies. We in this State should ensure that imported fruit is labelled correctly and does not carry a kangaroo or any other motif that gives the impression that it is a product of Australia when in fact it is canned overseas. We should ensure that fruit imported from overseas is packed under the same stringent health requirements that we have here in Victoria.

SPC Ltd has led the way in industrial relations in Australia with its enterprise bargaining package. During the last fruit season SPC workers voluntarily declined penalty rates for Saturdays and public holidays. They did this for one reason only: to ensure that they had jobs during the coming fruit season. The cannery was then able to operate. Not only did the workers forgo those penalties but also the work practices that had formerly been in operation were thrown out the window. There was a productivity increase of up to 47 per cent. The Australian people took SPC workers to their hearts and purchased SPC brand fruit as they have never done before; and, because of the resultant sales volume, SPC has been able to pay back every cent that it owed to cannery workers from January and February. The arrangement was very successful.

Dairying is a major industry in the Goulburn Valley in the Shepparton electorate, with two large dairy companies — Bonlac Foods Ltd in Shepparton, and Tatura Milk Inudstries in Tatura — process milk from the most efficient dairy farmers in Australia and export it throughout the world. Other companies that have set up plants in the electorate are the Campbells soup company, which has a factory at Lemnos, and the Rosella company, which has a factory in Tatura.

The Goulburn Valley irrigation area also produces prime lambs and beef cattle. The farmers grow lucerne and sunflowers and there are intensive piggeries in the area. We have vegetable growers and fruit growers who are producing new fruits that have come onto the market recently, such as kiwi fruit and nashi pears.

On the perimeter of the irrigation area are the dry land farming areas around Pine Lodge and Dookie, where cereal crops of wheat, barley and oats are grown, along with sheep for wool production.

Farmers are suffering great hardships today with the downturn in the economy and in the prices of wheat and wool. With the increase in fixed costs on farms these farmers are facing tremendous hardships and must be supported.

The City of Shepparton and the towns of Mooroopna and Tatura rely heavily on the success of the agricultural areas. Shepparton is a major transport centre in northern Victoria. Hundreds of transports are based in Shepparton and those transport operators and the general public have major problems because of the additional fuel costs. Why should we in Shepparton be paying 8 to 10 cents a litre more for fuel than people in Melbourne and other regional centres throughout Victoria? That problem must be rectified if we are to compete and if our commodity prices are to remain competitive.

In Shepparton we are proud of the Driver Education Centre of Australia. It is leading the way in driver education and supports the transport industry in the important area of road safety.

But it is the people of Shepparton who make the electorate what it is. They support one another and they support the underprivileged in the community. The churches and community groups work closely with local government to ensure that the needs of the area are met.

It is the people of Shepparton who two years ago raised $1 million so that a children's ward was built at the Goulburn Valley Base Hospital; and twelve months later the same people raised another $1 million to ensure that a centre for the blind could be supported in Shepparton. They are the same people who are now in the midst of a fundraising drive to raise money for a retirement home in Shepparton.

Shepparton has a large migrant population, many of whom fled communism overseas after the second world war and came to the Shepparton area. They

established themselves on small irrigated blocks, particularly around East Shepparton. They came from Albania, Greece, Italy and Yugoslavia and have provided a tremendous cosmopolitan energy to the Shepparton electorate and have made magnificent contributions to the prosperity of the electorate. Many of the children and grandchildren of the first migrants are now leaders in the business community and in community organisations in Shepparton.

The Shepparton work force is renowned throughout Australia for its reliability, productivity and stability; anyone who wishes to establish industry in the Shepparton area knows that he or she has a ready-made work force of people who want to work, who want to live in Shepparton, who enjoy their country lifestyles and who want to continue their quality of life.

Unfortunately, unemployment plays a part in activities in the Shepparton electorate. At the moment one out of three people — particularly teenagers leaving school — is unable to find a job. We must encourage industry to the Shepparton area to try to alleviate some of the unemployment problems.

The largest employer in the Shepparton electorate is the Goulburn Valley Base Hospital — a magnificent facility. Last night I attended the annual general meeting of the Goulburn Valley Base Hospital board. It is of concern that the board is facing massive problems with its budget deficit and is faced with no alternative but to decrease services to the public. That is most unfortunate.

The future of the Shepparton electorate could well lie in the solving of the salinity problem in our agricultural areas. The water tables are too high, bringing the dreaded salt to the surface, which kills the growth and leaves the irrigation areas as salt pans.

Community support to fight the problem has been incredible. Organisations established to identify the problems have mobilised community support. Many LandCare groups have been established, particularly among the farming community, to help themselves and to help each other. That system is working well. However we must fully support the salinity program that has been put in place in the Goulburn Valley.

Unfortunately many of those salinity problems have been caused in areas far beyond the Shepparton electorate, particularly because of the clearing of the native bush in the foothills of the ranges about 40 to 60 kilometres from the electorate. I hope what has been put in progress can solve the salinity problem and ensure that those water tables are lowered so that the area does not finish up a major saltpan.

The price of irrigation water is of major concern to irrigation farmers in the Shepparton electorate. Incomes have been reduced in rural areas by up to 50 per cent and it would be absurd to expect that these farmers could absorb a major price rise in irrigation water this coming season and make the products that they produce competitive in the marketplace.

Education facilities in the Shepparton electorate are quite good. We have excellent primary and secondary education facilities, a first-class TAFE college and, of course, the Victorian College of Agriculture and Horticulture near Dookie. Shepparton is ideally placed for a tertiary institution or a university campus that can draw from the well-populated irrigation areas of northern Victoria, which would give students the opportunity of studying closer to home and may arrest some of the vast exits of students from our area each year.

Sport and recreation facilities in the Shepparton electorate are excellent. The people of Shepparton and the municipalities have made these facilities possible. We have a world-class cycling velodrome that has already produced an Olympic cyclist to represent the Shepparton area, and people work hard at ensuring that the quality of life in sporting events is increased.

The three municipalities, the City of Shepparton, the Shire of Shepparton and the Shire of Rodney, are working in close cooperation to cut costs where possible and to use their materials and plant to better advantage.

I am exceedingly proud to represent the people of the Shepparton electorate, which has been a major contributor to the economy of the State of Victoria, and I certainly hope I can bring a worthwhile contribution to the Parliament of Victoria.

Honourable Members — Hear, hear!

Mr BAKER (Minister for Agriculture) — I hope I am allowed some modest licence on behalf of the government to congratulate the honourable member for Shepparton on his first contribution to Parliament, which was delivered in a manner that

was most eloquent, well-constructed and a reflection of his professional training. To sound a modest note of caution: it gets a bit rougher from here on!

Mr MATHEWS (Oakleigh) — I grieve today on — —

Mr COLEMAN (Syndal) — On a point of order, Mr Speaker, is it by arrangement that the Minister for Agriculture made those comments and was therefore not to be recorded as contributing to this debate? Or is it in fact some discretion you in the chair have exercised which has meant that the contribution made by the Minister for Agriculture, much as it was appreciated by the honourable member for Shepparton, was a precedent so that there will now be two Labor Party speakers? If so, that is something the House should address its attention to.

The SPEAKER — Order! The order in which honourable members are called to speak is at the discretion of the Chair. In this case there was no prior arrangement. After the Minister for Agriculture resumed his seat I looked around and there was only one honourable member seeking the call. The honourable member for Oakleigh has the call.

Mr PESCOTT (Bennettswood) — On a further point of order, Mr Speaker, the honourable member for Syndal has raised an important point that is separate from the issue of the speeches we have just heard. It should be recorded that nobody from the coalition stood up and congratulated the honourable member for Shepparton, and that is not because we did not believe he made a valuable contribution in his initial speech to this House. We do not wish it to be thought that because we did not congratulate the honourable member for Shepparton we do not share the point of view expressed by the Minister for Agriculture.

The SPEAKER — Order! The point is well made. Rather than wasting the time of the House further I again exercise my discretion and accept the indication from the honourable member for Oakleigh that he will concede his turn on the understanding that he has not lost the opportunity of speaking in this debate. I call the honourable member for Evelyn, if he wishes to rise.

Mr PLOWMAN (Evelyn) — My grievance concerns the Kirner government's deliberate deceiving of the people of Victoria because of the subsidy arrangements made for the Portland and Point Henry aluminium smelters.

The bald facts are that the Portland smelter cost the people of Victoria $135 million in the 1990-91 financial year, as shown in the 1991-92 Budget Papers, and $50 million in the recent September quarter; and it will cost them $217 million in subsidies in the 1991-92 financial year. Victorians are paying $500 000 a day in subsidies, despite the undertaking given by the government when establishing the Portland aluminium smelter joint venture that no subsidies of any kind would be paid by anybody to the smelter. In all, the projected cost of subsidies to the smelter over the next five years approaches $1000 million.

No provision for the liability has been made in the 1991-92 Budget, and no mention of the extent of the projected liability is contained in the Budget Papers, which amounts to a profound deception by this corrupt and secretive Kirner government.

As a result of this extraordinary and incompetent arrangement the potential liability to the Victorian public over the next 30 years could well be as large as the losses associated with the Victorian Economic Development Corporation, State Bank Victoria and Tricontinental Corporation Ltd rolled into one. The reasons for the immense extent of the contingent liability are simply explained. The mug punters of the Labor Party, guided by their social engineering guru, Dr Peter Sheehan, locked Victoria into a 30-year deal with Alcoa of Australia Ltd on electricity prices. Their failure to anticipate that world markets for aluminium could fall below a certain figure put at risk their calculations of electricity tariffs based on the variable tariff formula. Nor did they include in the contract any escape clause for circumstances that could not be anticipated.

In other words, on behalf of the people of Victoria the government became a big-league gambler on the futures market following poor advice and taking into account only historical values for aluminium, rather than considering the carefully projected models of future prices for aluminium in world terms. The government concocted a flexible electricity tariff formula with a trigger price for aluminium of $US1700 per tonne in 1982 values, indexed annually in line with the United States consumer price index.

When the monthly average price for aluminium on the London metals exchange exceeds the trigger

price, the company pays the government money; but when the price of aluminium falls below the trigger price, the government pays the State Electricity Commission an amount calculated in accordance with the flexible tariff formula to reduce the base electricity tariff paid by the company.

I seek leave to incorporate in *Hansard* two tables, one taken from a government document in the "Portland Aluminium Smelter Joint Venture" statement, and the other showing the index trigger prices based on the United States consumer price index.

Leave granted; tables as follows:

Flexible Tariff Arrangements

The agreement permits the price charged for electricity to vary according to changes in the selling price of aluminium from quarter to quarter. The amount charged will depend on the average "Metals Week" price for aluminium in the previous quarter. A reference price of $US1700 per tonne has been chosen and the price of electricity will vary by 0.2 c/kWh for each movement of $US100 in the selling price (all in June 1982 prices). This is a little below the government's long-term expected price for aluminium of $US1750 a tonne.

This mathematical relationship between the tariff payable and the US spot price for aluminium is expressed by the following formula:

$$T = x + y\frac{(a-936)}{764}$$

Where T = tariff in c/kWh in $A

a = quarterly average Metals Week price for aluminium deflated to June 1982 prices.

x = operations and maintenance component of base tariff

y = capital component of base tariff.

Consequently, the price of electricity will both increase (during high selling price periods) and decrease (during low selling price periods). However, downward movements are limited by the fact that only the demand charge is to be varied in this way. Upward movements are limited by a separate provision: during the first ten years, the electricity cost is restricted to not more than 19.5 per cent of the selling price of aluminium. For the remainder of the agreement, it is restricted to not more than 20 per cent.

The variations in price are expected to balance out over the life of the agreement, the base tariff being payable at a long-term average real metal price of $US1700 a tonne. These variations are paid to or by the government via the SECV.

* * *

TRIGGER ALUMINIUM PRICE

MID YEAR	US CPI % *	ALU PRICE US $/TONNE
1982		1700
1983	3.7	1763
1984	3.8	1830
1985	3.5	1894
1986	2.4	1939
1987	4.7	2030
1988	3.9	2100
1989	4.5	2205
1990	5.0	2315
1991	4.7	2424

* Change in US CPI 1982 to 1990 from OECD Economic Outlook (1985-91). 1991 CPI US Government Economic Indicators (July 1991).

Mr PLOWMAN — Because its projections for future world prices for aluminium were naively optimistic and had no regard to the Australian Bureau of Agricultural and Resource Economics projections model, which has proved to be infinitely more accurate, the government badly miscalculated the risk to Victorians of its misguided contract.

The ABARE projects the world prices of aluminium remaining much the same as they are now until the year 2000. When one considers current projections by leading Australian stockbrokers of world aluminium prices, one sees that Victorians are most probably locked into this vast subsidy for the remaining years of the 30-year contract.

Having negotiated this misguided gamble the government has shown yet again that it cannot handle economic matters. It has been unable to

grasp the fact that it has involved Victorians in playing the world futures market with a formula which the mug punter would refer to as his betting system and which has resulted in electricity being sold to the Portland and Point Henry smelters at a price which is less than a quarter of the cost of generation and transmission and which allows for no increment for capital and financial charges.

In this financial year the gamble will cost Victorians a projected $217 million. No doubt every other struggling business in Victoria would like to get on the gravy train and enjoy such incredible subsidies on their electricity tariffs.

When one considers the flexible tariff formula one could be forgiven for believing that it has been deliberately framed so as to make it almost impossible to calculate accurately the real tariff for the smelters at any one time.

Given the formula, which states that the tariff equals X plus Y, multiplied by A minus 936 over 764, and where A equals quarterly average metals world aluminium prices in US dollars deflated to 1982 prices, and where X equals the operation and maintenance component of the base tariff, which is an energy charge expressed in cents per kilowatt hour, and where Y is the capital component of the base tariff which is a demand charge expressed in dollars per kilowatt month, it becomes extraordinarily difficult for anyone to calculate the real tariff for the Portland and Point Henry smelters. I suggest it is typical of mushroom management, that is, keeping everyone in the dark.

I have ascertained that the X factor equals 1.2, the Y factor equals 2.4 and the A factor equals US$850, which represents the market price of $US1212 per tonne deflated into 1982 values. When calculating the actual tariff using the flexible tariff formula, subtracting this from the normal base tariff and multiplying it by the gigawatts consumed, one finds that the subsidy comes to the extraordinary figure of $217 million. Over the five-year period the total will be approximately $1000 million.

Since the Portland aluminium smelter joint venture deal was signed there have been fundamental changes in the world market for aluminium. The agreement considered that the good times were here to stay and did not allow for major potential future changes; the end of the Cold War where we now find the Eastern Bloc is exporting aluminium to the West; the general recession in the Western World, which has significantly depressed the demand for aluminium; the significant increase in disarmament, particularly in the Eastern Bloc; or the increasing number of smelters currently being built around the world, which a leading Melbourne stockbroker estimates will have the potential of producing an additional 1 million tonnes, which will further depress world market prices.

The most important part of the formula is that it does not include an escape clause to avoid the effects of extraordinary world market conditions that could not be predicted at the time. It built in a capping mechanism to protect the company from electricity prices increasing beyond a certain point, but it did not include a floor price below which the price of electricity would not be permitted to fall.

Perhaps the final irony in the deal is the government's investment on behalf of Victorians in the Portland joint venture. The annual report of Aluminium Smelters of Victoria Pty Ltd (ALUVIC) for the 1989-90 financial year shows net assets of $399.4 million as at 30 June 1989. By 30 June 1991 they had been reduced to $342.6 million due to a payout to the unit holder — the government — of $63.5 million.

The subsidies paid to date are as follows: 1988-89, $7 million; 1989-90, $20 million; 1990-91, $115 million; and to the end of the September quarter 1991, $50 million. Those subsidies total $192 million, and if one adds to that the projected subsidies for the remainder of the 1991-92 financial year of $167 million, one finds total subsidies of $359 million compared with an asset value of $342.6 million. That is a startling negative value of Victorian investment in the Portland aluminium smelter joint venture of $16.4 million.

The ALUVIC annual report for 1988-89 — the most recent report tabled in Parliament — shows $422.4 million as the value of debt currently owed by ALUVIC on behalf of the Victorian government. There is an extraordinary negative investment of $438.8 million. In other words, instead of having a substantial asset the State has a negative asset of $438.8 million in the Portland aluminium smelter joint venture.

The deal has been extraordinarily bad and was naively negotiated by the government. It protects the company but it does not protect Victoria from changing world circumstances. It locks Victoria into a 30-year deal, the consequences of which could be extremely serious to the State's future economic outlook. However, more seriously, the government

has deceitfully sought to hide the real future consequences of the deal from the Victorian people. The current Budget makes no mention of the projected debt for 1991-92 or the problems the joint venture will cause in years to come. That is a deceitful cover-up by the government of huge proportions.

I call on the government to immediately reveal the facts about this vast future liability. In order for the people of Victoria to be advised as to what liability they have in the future I call on the government to establish a full and public inquiry to seek a means of renegotiating this disastrous deal.

Mr MATHEWS (Oakleigh) — I grieve for the fact that print media ownership concentration is now worse in Australia than in any of the developed countries with which we compare ourselves. I grieve for the fact that print media ownership concentration in this country may well be worsened by the sale of the Fairfax interests that are currently in receivership. I grieve for the fact that no mechanism of last resort is in place to prevent information sources in Australia from becoming the property of two powerful proprietors.

In 1980 the then Liberal government was sufficiently concerned about the magnitude of the problems of print media ownership concentration to commission a retired judge of the Supreme Court of Victoria, Mr Justice Norris, to report to it and make recommendations. In December 1981 Sir John Norris, as he then was, produced the *Report of the Inquiry into Ownership and Control of Newspapers in Victoria*. It was a prophetic document putting forward a grim but realistic analysis of the situation for print media ownership concentration and providing realistic recommendations about how the situation may be tackled and at least prevented from becoming worse, if not in time actually reversed.

Sir John Norris's report confirmed, as many already expected, that the concentration of ownership in the print media was worse in Australia than anywhere else in the developed world. He went further: he said cogently and baldly that any further increase in the ownership of the print media would be contrary to the public interest and that action should be taken by the government of the day to ensure that the public interest was not so contravened.

Sir John advised the government of the day that a special tribunal, totally independent of government, should be established and that it should be a requirement of law that any transaction likely to increase the concentration of print media ownership should be referred to that tribunal. He recommended that the onus be on the proposers of the transaction to demonstrate that it was not contrary to the public interest, and any transaction not shown before the tribunal not to contravene the public interest should be disallowed.

I have no hesitation in saying that this State and our nation as a whole would be very much better off today if the Liberal government to whom that report was given in December 1981 had acted promptly on the Norris recommendations or if the Labor government which inherited those recommendations a few months later had acted upon them. In fact, nothing was done by either government.

In the intervening years the situation Sir John Norris feared has been brought about. The interests of the Herald and Weekly Times Ltd have been disposed of to News Corporation in circumstances that brought about the further concentration of print media ownership.

We now we find ourselves under further grave threat in respect of print media ownership concentration because the Fairfax interests, currently in receivership, are shortly to be sold in circumstances that may again further worsen the concentration of print media ownership in this country in the way against which the Norris report cautioned. We are in no better position today than we were in ten years ago, when Norris reported, to deal with this threat and ensure that further concentration is averted.

Two years ago the current Labor government in Victoria in turn became concerned about the situation. A working party was established under my chairmanship. Its members included Paul Chadwick from the Media Law Centre; Sally Walker, an expert in media law from the University of Melbourne; and the former editor of the *Age*, Mr Creighton Burns. The working party confirmed the conclusions of the Norris committee in every respect and once again affirmed the necessity for an independent tribunal to which proposals likely to bring about further concentration of print media ownership could be referred and before which the public interest would have to be demonstrated by the proponents.

It was a further recommendation that a Royal Commission should be established to inquire into all aspects of print media ownership concentration with

a view to determining not only how further concentration could be averted but how we could actually reverse the appalling predicament in which we now find ourselves, through appropriate divestiture arrangements.

I am delighted that the Commonwealth government has picked up that recommendation and as a result a Select Committee of the House of Representatives is now examining the print media in all its aspects. But the fact is that the conclusions and recommendations of that Select Committee will not be available in time to bail us out as a nation or as a State from our failure to have taken heed of either the Norris recommendations when they were brought forward or, indeed, the recommendations of the working party that were brought forward last year.

As a result we find ourselves in the truly desperate situation where the print information sources of Australia could very well — within a very short space of time, within a few weeks, indeed — be the property, for all practical purposes, exclusively of two powerful proprietors. Such a situation would gravely threaten the democratic institutions of this country, dependent as they are on the free transmission of information and opinion through channels such as the print media.

I think it can realistically be said we are at 1 minute to midnight where these matters are concerned. It can be said also that desperate situations call for desperate remedies. The Commonwealth government, having taken the very welcome step of establishing the Select Committee to inquire into the print media, should now announce at the earliest possible opportunity that it will legislate — retrospectively, if necessary — to halt further concentration of print media ownership and control. If the Commonwealth government is not prepared to take that action the Victorian government should be prepared to go it alone on this matter.

Mr Pescott — Have you raised it in the party room?

Mr MATHEWS — That was the recommendation made by an inquiry established by a conservative government of this State, and carried through at the request of that government by a former judge of the Supreme Court, who I do not think at any stage of his career could have been described as a radical. It is a recommendation that was brought forward by a working party established by the Labor government of this State, in a report that was endorsed in all its particulars in the party room of the Labor Party in this Parliament. Surely the situation is such that bipartisan sentiment could be expressed on these matters.

Mr Pescott — There is.

Mr MATHEWS — After all, we have seen in recent weeks two former Leaders of this nation — Labor and Liberal — who formerly were bitterly opposed to one another standing side by side on common platforms before large rallies of concerned citizens and demanding that action be taken to ensure that the independence of the print media in this country is preserved. Yet, at the very moment when that bipartisan stand is emerging, we see also the threat that, as a result of decisions which the receiver for the Fairfax interests may be required to make in law, the media ownership concentration, instead of being halted — much less alleviated — may be allowed to increase.

Honourable members interjecting.

Mr MATHEWS — The appearance of the two former Prime Ministers side by side in support of this cause must be seen as palpable evidence of the concern in our community, including those in political circles. So it should be, because there is no group, no party representative in any Australian Parliament and no community interest group that will not be worse off in the medium to long term if this sort of concentration is permitted to further increase.

The government should announce the introduction of legislation, effective from the date of announcement, that will prevent any print media transaction that would increase concentration of the print media, except if the result is in the public interest.

Mr Kennett — What, this government?

Mr MATHEWS — The model for such legislation already exists. The report of the working party that reported to the Attorney-General last year and was endorsed in its entirety by the Victorian Parliamentary Labor Party contains a full draft Bill for this purpose.

Mr Kennett — Have you got it through caucus; has caucus approved it?

Mr MATHEWS — It would be easy for the Commonwealth government to pick up this draft legislation in circumstances where no constitutional

doubt could be raised, where no constitutional ambiguity would exist, and push it rapidly through the Commonwealth Parliament to ensure that the print media ownership concentration with which we are currently threatened is not allowed to eventuate.

It is important that this matter should be able to be dealt with through some mechanism such as using the Trade Practices Commission or the Foreign Investment Review Board. Failing this, some mechanism of last resort must be in place to ensure that the Fairfax interests are not disposed of in a way that will increase the concentration of print media ownership, a concentration against which Mr Justice Norris warned us so cogently ten years ago.

In the Federal Parliament a petition calling on the Prime Minister to ensure that this outcome is averted has already been signed by 137 members, drawn from all parties in the Parliament. A petition adapted from the Commonwealth petition is now in circulation in this Parliament and has been signed virtually by all backbench members of the Parliamentary Labor Party together with, as I understand it, some members of other parties in the Parliament.

Today I have written to the Leaders of the Opposition and the National Party forwarding them copies of the petition and expressing the hope that, just as members of the Parliamentary Labor Party have in an individual capacity put their names to the petition, members of other parties in this Parliament will be willing in an individual capacity to sign, too. This is one of the few ways in which the Commonwealth government — which seems to be in real doubt about what steps can be taken to deal with this situation — can have brought home to it the importance of action being taken.

Mr Kennett interjected.

Mr MATHEWS — I should be sorry if the Leader of the Opposition were to take this matter lightly.

The SPEAKER — Order! The Leader of the Opposition is out of order.

Mr MATHEWS — I say to the House quite simply that in the 1980s naked greed cost this State a great deal. Naked greed should not now, in the 1990s, cost us the independence of that great newspaper, the Melbourne *Age*. Naked greed should not now in the 1990s be permitted to bring about the further increase in print media concentration that we were warned a decade ago would be contrary to the public interest. The desperation of our situation requires that there should now be put in place mechanisms of last resort to ensure that these disasters will not overtake us.

Members of this Parliament should set the example for the wider community. We should be prepared to stand up and be counted on the proposition that those who are pushing for greater concentration of print media ownership shall have said of them, "They shall not pass".

Debate interrupted.

DISTINGUISHED VISITORS

The DEPUTY SPEAKER (Mr Norris) — Order! Before calling the next speaker, it is my pleasure to welcome to the Public Gallery two distinguished visitors from Cuba. From the Parliament of Cuba, the National Assembly, we welcome Nieves Alemany; and from the Cuban Institute of Friendship with the Peoples, Eva Seoane.

On behalf of Parliament, we welcome you and hope your visit to the State of Victoria is both fulfilling and happy.

GRIEVANCES

Debate resumed.

Mr PESCOTT (Bennettswood) — Mr Deputy Speaker, I should also like to add my support to your welcome to the people from Cuba, particularly as they have just listened to a speech from the honourable member for Oakleigh on the diversity of the press and on the desire to have wide ownership of the press. I believe that is a good debate for people from Cuba and other countries to hear, and I am sure if they were to follow the wider debate they would find it just as interesting.

I congratulate the honourable member for Oakleigh for his comments on keeping a diverse ownership of the press in this country. He has a history of having a great interest in this subject. In his time as a member of the Federal Parliament in Canberra he was closely associated with one of the national leaders who is now leading this debate.

Mr Kennett — Former Leader!

Mr PESCOTT — As the Leader of the Opposition interjects, he is a former Leader.

When the honourable member for Oakleigh was on his feet I was a little concerned that he was talking about the credit cooperative movement because the Co-operation (Credit Co-operatives) Bill is listed on the Notice Paper. The honourable member could make a valuable contribution to that debate because he has already told people that the Bill will never pass. As it is listed on the Notice Paper, I wonder whether he has had the same success in his party room.

Mr Hamilton — One hundred per cent success.

Mr PESCOTT — All I can say is that the Bill is on the Notice Paper and looks as if it will be passed.

I now turn to the matter I wish to raise in the grievance debate — unemployment in this State. I shall refer particularly to one initiative the government announced involving the government of Taiwan that was supposed to create jobs in this State. Later I will explain how the government has snubbed the government of Taiwan. It has snubbed a government that played host to the Deputy Premier of Victoria when he went to Taiwan to encourage investment in this State.

There is no doubt that unemployment is the most pressing issue in Victoria. The people of Victoria are disillusioned by the fact that the government has allowed unemployment to grow from 4.7 per cent twelve months ago to almost 11 per cent. In that time more than 150 000 people have joined the list of unemployed in this State. In all that time the government has been saying that unemployment is a problem and must be fixed. It is no good the government standing around and saying that something has to be fixed; it must do something to solve the problem.

Mr Gude — Words instead of action.

Mr PESCOTT — It is words instead of action. That is all the government has done in recent times because it does not know what to do about finding a solution. Recently the government has taken a new tack and the Premier is now blaming Canberra for everything. She is asking Canberra to fix Victoria's problems. She says we must ensure that the issue of jobs is put on the agenda at the special Premiers Conference next month.

It is obvious to everyone that jobs are an important issue in this State, as recent headlines of newspapers have illustrated. But if one looks behind the rhetoric and at what is underneath those headlines, one recognises that the government has taken no specific initiatives to solve the problem.

Other State Premiers have put forward the proposal to look seriously at changing the revenue-sharing arrangements with the Commonwealth. The Victorian Premier says, "No, we don't want extra powers for raising revenue in this State". The Premier does not want the responsibility for raising revenue. She prefers to have a system where she can go cap in hand to Canberra and say that any problems are not her fault. The Premier wants to say, "It is Canberra's fault that Victoria has no jobs; it is Canberra's fault that this State does not have enough money for schools, hospitals and other things that must be done".

I have just been asked by interjection by the Minister for Sport and Recreation if I support a State income tax. Privately I do. There are a number of government Ministers who support that view also. There are people who support as a proposal not an additional tax but a system whereby the Commonwealth leaves the field in some areas to enable the States to raise revenue, which the States can link back to the spending that must be undertaken.

The problem with the debate is that the State government has refused to take responsibility for spending the money. It said, "Well, industry will come here and invest". Industry is not coming to Victoria in droves to invest because Victoria is the highest taxing State in Australia; it is a State where, in many of the projects, the government has not lived up to its word. In a moment I shall come to the Tiawanese example where there has been a serious breakdown in the relationship between the Tiawanese government and the Victorian government that is jeopardising hundreds of million of dollars of investment in the State.

There should be more flexibility and opportunities for States to raise revenue. The manufacturing industry should be able to allow for depreciation. There could be a far better system than the present one, under which companies find it better for cash flow and taxation purposes to repair and maintain old machinery instead of buying the latest technology.

When pressure can be brought to bear by the State government on the Federal government to reduce the amount of time over which industry can claim for depreciation on its machinery to one or two years, as happens in Europe and in Japan, we will

start to get some movement in the system that will create opportunities for industry to invest. We need manufacturing in this State; Victoria was the manufacturing State of Australia, but by handing jobs and employment back to Canberra all one is doing is handing it back to a group of people who collectively are more interested in rolling over development projects to create apparent employment rather than establishing and maintaining a strong manufacturing base.

No advanced country in the world can have a sustained high standard of living over a long period unless it has a manufacturing industry base. No country can maintain a constant roll-over of development projects.

The ideas coming out of Canberra at present are small. Creating more development projects to provide more jobs does not address the real issue of having sustained high growth for the future. Other States, such as Queensland, Western Australia, South Australia to some extent, and the Northern Territory, require the constant turnover of development projects rather than the re-establishment of a manufacturing industry.

It is important that the Premier — who I see has just come into the House — should understand that if Victoria were to follow the ideas coming out of Canberra Victoria would be sucked into some of the problems of the other States. It is the other States that require constant roll-over of development projects. For example, if more roads were to be built only for development projects, which does not increase a competitive manufacturing industry, Victoria will have the same problems the other States have.

Victoria has always had a strong economy through its manufacturing industry. In recent times various statements have been made by the Minister for Manufacturing and Industry Development and the Premier relating to so-called government support for industry.

One of the most recent press releases from the Minister for Manufacturing and Industry Development says that the government supports the food processing industry. Of course it supports the food processing industry. What a lot of propaganda and a lot of words coming from the media unit! The problems are not being addressed.

If one wishes to examine why the food industry in Victoria is not developing one has to ask those involved in the industry why they are not investing in more up-to-date equipment and why industry is not progressing.

One of the main blockages in the system in this State is the relationship between the Victorian Trades Hall Council and the government. Members of the government and backbench members do not feel free to tackle the Trades Hall problem.

If one examines the issues confronting industry in recent times — the decisions relating to investment — one finds that invariably they are linked to the specific difficulties of dealing with the trade union movement. When industry wishes to invest it comes up against such blockages.

H. J. Heinz Co. Aust. Ltd, one of the largest food processing companies in Victoria, made a conscious decision two or three years ago not to invest in new plant and equipment in its Victorian factory. It made a conscious decision to run its machinery down until it collapses. You, Mr Deputy Speaker, may know, or maybe you do not but you may be interested to know, that if Heinz wants to sell a can of baked beans in Victoria it is now cheaper to import that can of baked beans from a factory in England. Beans are grown in Queensland, brought to Dandenong, processed, put into a can and then put on to the shelves at a greater cost than getting the beans from a country other than England, importing the beans into England, processing them and sending them to Australia to put on the shelves.

Mr Trezise interjected.

Mr PESCOTT — The Minister for Sport and Recreation interjects by asking if I support the consumption tax. The Minister should support the consumption tax because it will lead to the overall cost of goods the community purchases being lower than at present. The Minister is from Geelong and cars that are manufactured in Geelong will be considerably cheaper — several thousand dollars cheaper — to buy under a new system.

The recent investment decisions have usually been linked to the appalling industrial relations system; the appalling record of the unions in bringing about too many strikes in Victoria, thus creating extra costs and difficulties for manufacturing industry so that the industry has decided — and I used the Heinz company as an example — not to invest in new plant and equipment in Victoria.

The government's heralding of the fact that the decision of Toyota Motor Corporation Australia Ltd to build a new plant will mean more new jobs is absolute rubbish. There will be no new jobs at Toyota's Altona plant because it is designed to reduce jobs.

The decision to take aluminium from Portland to Bendigo and to establish the Bendigo aluminium rolling mill was made because the company involved did not want to have the union covering its mill employees close to the union at the Portland aluminium smelter: it felt that if the plants were close together the industrial trouble would be too great to handle.

The Deputy Premier, Mr Kennan, travelled to Taiwan in the middle of June to speak to the Taiwanese government about a proposal by the Evergreen Corporation to invest hundreds of millions of dollars in Victoria in establishing a base for a new airline project.

Taiwan is Australia's seventh-largest trading partner and in that trading relationship there is a $300 million surplus in Australia's favour. As part of the process of getting closer to Taiwan as a trading partner, a Taiwan national day was held in Melbourne recently. The Deputy Premier was invited as a guest to the national day reception. In the morning of the day on which the reception was held the Deputy Premier met several people who were to attend the reception and told them he would see them that evening. The Deputy Premier did not turn up to the reception because he received an instruction from Canberra not to go.

The Deputy Premier, who had gone to Taiwan to encourage investment in Victoria, did not attend the reception — he did not reciprocate or show interest in the Taiwanese. The argument used was that there was some problem with the diplomatic recognition of Taiwan.

A few months earlier the Taiwanese Minister for Economic Affairs had been in Canberra and had met with Dr Blewett, the Minister for Trade Negotiations, and Senator Button, the Minister for Industry, Technology and Commerce. Federal Cabinet Ministers have been and are in constant contact with the government of Taiwan. However, the Victorian Minister, perhaps not understanding his role, let the Taiwanese down to the point where an official Taiwanese airline is now operating between Sydney and Taiwan. Victoria has missed the boat: it has missed the opportunity for an airline to be based in Melbourne because the government sent to Taiwan — at great expense to the taxpayer — someone who was out of his depth. The Deputy Premier was unable to strike an arrangement to obtain the airline base for Melbourne and, to make matters worse, allowed the New South Wales government to obtain the investment for Sydney.

The Taiwanese invited the Deputy Premier to an official reception and he snubbed them; he told people he would attend and he did not turn up. That is unacceptable and has caused the Taiwanese to wonder why they have been involved in those types of discussions and to distrust us. It makes us appear unreliable.

We lost a very important investment opportunity not simply because the Minister did not turn up to a reception but because of the overall relationship that has developed between the government and the national government of Taiwan.

The DEPUTY SPEAKER — Order! The honourable member's time has expired.

Mr STEGGALL (Swan Hill) — I wish to grieve about the confrontation that exists each year on Victoria's wetlands, particularly in northern Victoria, at the opening of the duck season. This is probably an apt time of the year to raise this issue and discuss the problems that occur each year in the northern areas of Victoria, particularly in the Kerang or Donald areas — it does not occur in both areas at the same time.

People in northern Victoria are literally fed up with the confrontation that exists at the opening of the duck season and at the dangerous activities of people who provoke, taunt and interfere with the rights of hunters who are licensed to take game on the wetlands.

The issue causing concern in the north of Victoria has worsened over the past few years. There was an unfortunate incident this year at Murphy's Swamp — a duck shooter has since been convicted on three counts of assault with a weapon — involving three animal liberationists who were protesting at the time.

The situation has become a serious concern throughout northern Victoria during the duck season, not just for the people who live there but for duck hunters from all over Victoria. Only a person who has an appropriate licence is permitted to take game from the specified areas and many arguments

and problems have arisen as a result of the activities of the animal liberation movement in moving in and taking game — they seem to be above the law.

A hunter must have not only a shooter's licence but must now also have a game licence. The shooter's licence was introduced in 1958 to raise money for the preservation of wildlife. Shooter's licences now raise about $4.6 million a year. The game licence, at $25 for each hunter, raised less than $1 million last year, and this year the Minister is attempting to increase it to $40, which is expected to raise $1.6 million.

The original concept was that the money raised from licences would go towards the preservation of wildlife habitats in the wetlands. Somewhere along the way that seems to have been forgotten because this year the line item for the wetlands strategy is $1.32 million, and hunters are contributing about $6.2 million through licence fees. On top of that they have to put up with identification tests.

In 1958 licence administration costs were estimated to be about 15 per cent of fees collected, about $100 000 in today's terms. With the conservation and environment line item for the wetlands at $1.32 million, it can be seen that the hunters of Victoria are contributing an enormous amount to the State's general revenue, yet the crux of the problem is not being addressed.

Hunters must abide by a code of practice that is set out in the schedule attached to the Prevention of Cruelty to Animals Act. In 1989 the code of practice was open for public comment and 14 600 submissions were submitted in favour with 9 against. Victoria, particularly in the northern area, has tried to have a balance between hunting and the conservation and protection of wildlife and wetlands. That is now under challenge. It is time the Minister for Conservation and Environment and the government addressed the nonsensical events that occur during the opening of the duck hunting season, especially in northern Victoria.

Under the freedom of information legislation the Victorian Field and Game Association obtained police reports covering various incidents that have occurred during the opening of the duck hunting season in the past few years. The protesters have always been open about what they are trying to achieve. They have told police and hunter organisations that they want to put ducks to flight, to drive them away from the hunters and to place themselves between the ducks and the shooters. To do this they use canoes, surf boards and other equipment. They try to rescue and take possession of wounded or dead ducks. The aim may appear reasonable, but in practice it has caused enormous problems.

Inspector Hocking from the Stawell police indicated in his report on the duck season opening at Lake Buloke in 1990 that the discharge of firearms caused danger to nearly every person nearby. He said three instances in particular were brought to his attention:

> The matter of some importance relates to an incident where the Channel 10 news team had a few shotgun pellets hit their tripod and land near their legs. This matter has been grossly taken out of perspective due to media involvement ...
>
> The bottom line is that the head of the news room at Channel 10 had decided they had a scoop on their hands and despite reluctance from the reporters to build the situation up too much the choice is not really theirs. In fact, it was some hours after the incident before they decided they better discuss the situation with police.

The reports indicate that most of the incidents occur only when the media are present. Inspector Hocking made another report of incidents that occurred at Lake Buloke in 1990:

> Other reports of assault that were made to the media by Jodie Sorens and Laurie Levy of the Animal Liberation Movement have never been made to the police to this day ...
>
> Mr Laurie Levy's primary purpose at both shooting events at Lake Buloke was publicity, and he will do anything to achieve this goal. Despite assurances to the contrary he confronted shooters at their rally on 8 April at Lake Buloke seeking confrontation for media purposes. The only measure I found effective in preventing the build-up in this situation was to advise Levy that the police presence would be withdrawn; he immediately left the shooters' rally.

In 1988 Commander Rymer, the country coordinator, in response to a series of letters sent to the Minister at that time, said:

> It is of interest to note that advice given to the force before the event by leaders of the Animal Liberation organisation indicated that supporters had been given strict instructions not to perform where there was no police presence ...

> It is implied by the writer; explicitly described in the attached press extract; and confirmed by subsequent police inquiries that by far the greatest danger caused at Top Marsh was as a result of hunting opponents, seizing shot birds and dashing into the swamps to distract shooters ...
>
> To provide confrontation and impediment to people involved in lawful activity such as apparently occurred at Top Marsh was foolhardy and irresponsible. We were indeed fortunate that there were no accidents and in that, I agree with the writer ...
>
> Furthermore it should be acknowledged that the great majority of shooters were responsible, law abiding and did not respond significantly to the provocation of protesters.

The commander then refers to the letter from Ms Smith and states:

> Ms Smith makes specific mention of the rescue of protected species — particularly swans. The veterinarian operating a mobile animal hospital at Kerang is reported in the attached article as having diagnosed rescued swans as suffering from exhaustion. One of the significant causes of wildlife distress at Kerang was brought about by the pursuit of cygnets by protesters. These birds, incapable of flight, were chased to the point of exhaustion by over-zealous would-be duck rescue teams.

Honourable members will remember the graphic television shots taken at that time. Commander Rymer goes on to say that he was generally pleased with the demeanour of the great majority of hunters but that he was dismayed at the reported conduct of some members of duck rescue teams who threw themselves into dangerous situations with no apparent regard for the consequences to themselves or others. He said he was also surprised that the more mature people among the protest groups did nothing to discourage this behaviour. It is time action was taken to correct this behaviour. A further report states:

> The support for the animal liberationists appeared to be from the television camera men and women, and reporters, attempting to make something out of every single confrontation between animal libbers and hunters regardless of how long or how short it was. There were quite a few situations where hunters actually advised them to have a look at what they had picked up and when they took heed of their advice they dropped the swan, cygnet or other bird of which they had no idea what it was and apologised.
>
> Other animal libbers were physically running into the water and trying to retrieve ducks which had been shot by hunters and legally those ducks when shot are the property of the hunter.
>
> I believe that to allow unarmed persons to run into the water where there are literally in excess of 500 shooters and then attempt to steal the duck once it hits the water is absolutely without explanation — a foolhardy act.

We have many examples of these types of things happening in the northern areas of the State which have not been mentioned in police reports, and it is pleasing to actually see them mentioned in the reports so that the people can understand the situation.

The Victorian Field and Game Association recently wrote to the Minister for Conservation and Environment — I am pleased to see that he is in the Chamber — seeking a deputation. I had discussions with the Minister about four weeks ago about his receiving a deputation from the association to see whether we could sit down and work out a reasonable and proper solution to this nonsense and madness that occurs usually once a year on the northern Victorian waters.

I think we have probably matured enough now and had enough cases of close calls to reach the situation where both the Minister and previous Ministers have been well advised of the incidents and problems that have been occurring and attempts should now be made to try to come to a resolution and settle this situation in an amicable fashion.

The Victorian Field and Game Association has put one proposition to the Minister. It is in two parts. Firstly, it proposes the drawing up by the association and the regional office of the Department of Conservation and Environment of a list of the major hunting waters on Crown land where large numbers of hunters attend on opening day. The association suggests that access to these waters until 12 noon on opening day should be restricted to game licence holders, authorised wildlife officers and the police.

Secondly, it proposes that the Minister create a temporary wildlife collection permit which would provide a general authorisation for the collection and temporary possession of dead or injured native animals. The association says the permit would, however, be subject to conditions which address public safety by preventing disputation over the ownership or abandonment of game. The following conditions are suggested by the association:

(i) All injured animals found are to be transported immediately upon recovery to a qualified vet or DCE approved animal welfare shelter.

(ii) All dead animals found and retained are to be tagged indicating the collector's name, permit number, date ...

(iii) During a declared game season the permit holder is required not to knowingly —

(a) approach within 200 metres of an active hunter;

(b) compete with a hunter for retrieval of downed and injured game.

These conditions are similar to those introduced in South Australia in an attempt to come to a proper and reasonable arrangement between the shooting or hunting fraternity that is legally operating in the wetlands and those who wish to make a protest.

I ask the Minister to give consideration to the submission from the Victorian Field and Game Association and to meet with that organisation to discuss its concept and what it believes is a reasonable approach to the problem. I suggest that in the interests of arriving at a solution the Minister should call together, or have his officers call together, the State President of the Victorian Field and Game Association and the State President of the Animal Liberation Organisation to work on arriving at a suitable solution to this issue for next year.

I believe the problems that have been experienced particularly in northern Victoria should be a lesson to us that there needs to be some type of reasonable agreement and approach to this issue before any more damage is done.

The shooting fraternity, particularly in northern Victoria — and they are the ones at home, I suppose, because most of the shooters come from Melbourne during the duck hunting season — are very keen to come to some reasonable arrangement so that the danger during the duck hunting season is minimised.

I endorse very strongly the submission of the Victorian Field and Game Association and ask the Minister to use his good offices to bring the confrontation on the wetlands to an end so that we can have a proper opening of the duck hunting season and so that the rights of those who wish to rebel against that practice are protected and they are able to do so, as the association's submission suggests.

Sitting suspended 1.5 p.m. until 2.6 p.m.

Mr COLE (Melbourne) — I refer to a matter that was raised, somewhat unceremoniously in my view, by the Leader of the Opposition yesterday regarding the provision of elderly person housing in Park Street, North Carlton — in fact, it is technically in the municipality of Brunswick.

The important issue here is that there is a complex debate about what constitutes open space and when there is a need to provide public housing in that area. The position with this particular piece of land is that it is part of former railway land which originally, back in the late last century, had housing on it; and I understand there was an agreement that housing would be put back on it if it were ever converted from railway land. But then, of course, contractual agreements, understandings and covenants do not mean a thing at certain times. When it is convenient, for opportunistic reasons, certain people can throw them out the window and cry crocodile tears for the alleged need for open space in the city area.

There is not a member of Parliament who knows more than me about the need for open space in the inner urban area, particularly given the fact that I live there — and particularly because I live in Flemington, as distinct from those who live in Carlton.

Despite the difficulties that some people from the Carlton area have with the proposition put forward for the housing to be built there, they do have far more open space than exists in my area. That is not to say necessarily that they do not have a good and legitimate argument to put forward as to why these houses should not be built there. The government has accommodated them consistently over the past six years.

When the issue was raised as to what should be done with this land there was not a person who did not sit down, listen, discuss and debate it, and people used every legal vehicle open to them to achieve the ends that they wanted to achieve, including appealing against decisions. They applied to the Brunswick City Council to oppose the permit as well as to the Melbourne City Council, the Fitzroy City Council, the Supreme Court and the Administrative Appeals Tribunal, and they lost on each one.

I ask the Leader of the Opposition, who unfortunately is not here: what method do you have for determining these issues other than the legitimate planning process? I was interested to note

yesterday that the good shadow Minister for planning, Mr Maclellan, was quoted in the commercial pages of the *Age* — —

Mr LEIGH (Malvern) — On a point of order, Mr Speaker, I direct your attention to the fact that honourable members are supposed to refer to other members in this Chamber by their proper titles. I ask that the honourable member for Melbourne refer to the honourable member for Berwick by his proper title when mentioning him.

The SPEAKER — Order! I uphold the point of order.

Mr COLE (Melbourne) — The shadow Minister for planning — —

Mr Leigh — He referred to him as Mr Maclellan!

The SPEAKER — Order! I upheld the point of order raised by the honourable member for Malvern. I do not know what other satisfaction he wants, but I suggest that he listen carefully and observe the forms of the House.

Mr COLE — On the question of planning and the sort of process that should be complied with, an article that appeared in yesterday's *Age* quotes the remarks of the shadow Minister for planning. It reports that the shadow Minister for planning, Mr Maclellan — who is also the honourable member for Berwick — had this to say about the proposal for planning:

> It is better to make some bad decisions than not to make any at all — and the next Liberal government may well make some planning decisions that it lives to regret.

I know one that it has already lived to regret. It is called the open space requirement at the City Square! We all know about that one and the tories that are involved in determining what should happen with the City Square. Yet again the tory Lord Mayor, Richard Meldrum, has undermined the position of the Melbourne City Council in the resolution of that problem by supporting the World Congress Centre as the site for the casino, to say nothing of his vested interest because it is his own firm putting up the proposition.

The article continues to quote the honourable member for Berwick as saying:

> If companies have bright ideas for how we can put underutilised government properties to better use, they will find us receptive. And we will not reward their initiatives by calling tenders for transforming those ideas into reality.

We are not going to call for tenders to give away government property. We will not block off an area while coming up with a new idea, to say nothing about the railway land in North Carlton. The opposition would not bother about a planning process if a private entrepreneur proposed putting up anything. The opposition would say, "Yes, go ahead; we are not even going to put it out to tender".

There is a tendency for people on the other side of the House to totally disregard anything to do with planning, to say nothing about history. When tory governments are in charge of bureaucracies they tend to give things out to their mates through land deals. Do we want a repeat of the land deals? "Yes," says the honourable member for Berwick. He will have public servant planners outlawed. He will get rid of them for good!

Honourable members can rest assured that under a tory government there would be no public housing built in the inner city area. If there were, it would not go through the planning process that the Labor government went through in deference to the people in North Carlton because we believed the people should have a right to object and go through the process if they wished. They did, but unfortunately for them they were defeated on every ground. Now senior citizens will have the opportunity of obtaining accommodation in the 24 extra houses in the inner city area.

Honourable members interjecting.

Mr COLE — Honourable members opposite are blatantly opportunistic capitalists who care little about open space. We know for sure that the Leader of the Opposition does not care about public housing. I recall all too well the way he went about creating open space when he was Minister of Housing. The director of his department was going to blow up the high-rise flats! He was going to put a bomb under them, but what he omitted to tell us was whether the people would still be in them at the time. We did ask but we did not get an answer.

Members of the government support public housing; we do not want to put people in a position where, after a long drawn out process of consistent debate, we say to them, "You have not complied with the

law, but it does not matter; we still think we should keep the open space".

The Leader of the Opposition says that there are plenty of other sites where housing can be put and I agree that there are and there will be under this and future Labor governments, but that will not be the case under future Liberal administrations. The Liberals do not want public housing. That comes across loud and clear from the Leader of the Opposition. He does not care about this matter.

What is the requirement for open space? I take the great example of the open space policy of the former Liberal government, the Melbourne City Square. The Melbourne City Council supported that development. The City Square is the greatest single disaster to be inflicted upon the city. It took wonderful ideas of compulsory acquisition, and tenders were called for with the requirement that consideration be given to the building of boutiques. The Melbourne City Council embraced that view. The then tory Lord Mayor, who regularly drove his Rolls Royce down to the town hall, supported the World Congress Centre when negotiations were still being carried out with the government on behalf of the developers. That is an example of the open space policy of the Liberal Party! The Leader of the Opposition does not understand or believe in open space.

During the 1970s when leases of railway land were being entered into until the year 2025, why did they not make them exempt? Why did they not compulsorily acquire the land and provide open space? It was because the Liberal government was never committed to open space and the Leader of the Opposition has never been committed to open space. He shows that in a simplistic, banal and opportunistic fashion by supporting people who have had every possible opportunity, which they took up, to oppose public housing on that land.

The Liberal Party appears to have had no concern at all for the open space opposite the Victoria Market on which public housing has been built by the Department of Planning and Housing. That is inner city space; you cannot get any closer to the city! There has been no objection about that building as yet. It is ludicrous to suggest that good residential land should be converted to open space. There was the Lynch's Bridge site at Newmarket. The whole of that area needed to be developed appropriately. The Leader of the Opposition said that it would be left to open space.

Mr Pescott — How long did that take?

Mr COLE — It is nearly completed. It has taken some time but it is better than rushing the job. You would give the job to one of your mates as long as it sounded good. The opposition looks after its mates and does not put projects out to tender.

Mr Baker — So long as they went to Geelong Grammar!

Mr COLE — So long as you can afford it you can get it. It is great for those who survived Geelong Grammar. The only ones who survived were the ones who decided to leave at form 1.

I commend the process between the Department of Planning and Housing and the Salvation Army, which will provide housing for the underprivileged. They have been acquiring hotels and converting them to boarding houses and rooming houses at a large cost. The Salvation Army and the government have taken up an enormous amount of open space, and we have not heard one iota of criticism of that from those in the area in which I live. Thank God for that! There has been little objection, no matter how unpalatable it seems to be.

Mr Perton — Where do you live?

Mr COLE — In Flemington.

Mr Perton — The Toorak end of Flemington?

Mr COLE — Nobody has criticised this development saying how important it is to keep open space. We have not heard a word from the opposition on that. It has not said that this land should be converted to open space to provide parks for people in the area.

I hate to say it, but unfortunately the Leader of the Opposition does not understand. He certainly does not understand anything about the dichotomy between public housing and open space. The councillors with intelligence, who have supported this project unanimously, care about the environment far more than the Leader of the Opposition does. It has never been in dispute for 1 minute.

The important point is that we in this State should address the inner urban renewal program and we must be responsible in the way we go about it.

I say to the people in North Carlton, as I say to the Leader of the Opposition: we have been very responsible in the manner in which that has been carried out.

Mr Pescott — They don't think so.

Mr COLE — I take up that interjection because the honourable member has probably missed the point again. The Leader of the Opposition was concerned and worried about the role and job of the Police Force. Many have been concerned about that issue for a long time.

Mr Pescott — Why don't you do something about it?

Mr COLE — Many times police are the meat in the sandwich. Unfortunately they have to carry out a role that they often do not prefer but they have to do it and that is what they are doing at Carlton. We are happy as long as it is within the law.

What concerns me is that not one word is uttered when it comes to the police handling of picket lines in Camperdown. When the workers there feel their jobs are under threat and the police get involved — as is their job and obligation — we do not hear the Leader of the Opposition saying, "This is an inappropriate use of police, don't do that". When it comes to providing public housing in North Carlton he says it is inappropriate, not a role for the police and they should be catching rapists.

Mr Pescott — Who said that?

Mr COLE — The Leader of the Opposition said it last night during the adjournment debate.

Mr E. R. Smith — What is wrong with catching rapists?

Mr COLE — Does that mean the police should not be attending at a picket line at Camperdown? The role of the police is very broad and this is where they have to become involved — more is the pity!

As for the Leader of the Opposition, he is engaging in opportunistic claptrap by getting up here and supporting open space — he would not know about open space in the inner city area if it stood up and jumped on him! He is jumping on an issue but he does not care about open space and people in public housing.

All he wanted in days gone by was to blow it up and sell it off. He wanted to get rid of public housing tenants, "We don't want them on the payroll", he said. If you talk to the 14 000 people who live in public housing in my electorate you quickly find that they remember the Leader of the Opposition. They know what he is on about and they will not wear him. They will not have a bar of him! Why not? Because he stands for everything that we on this side of the House and those people do not stand for.

He simply jumps on to this minor political bandwagon to make a cheap point after debate about the issue has been continuing for about six years. He will try to prove that he knows more than anyone else and he will fail. The houses will be built and the people in those communities — although it is unfortunate for them — will accept it, as will the people in Brunswick — —

Mr Perton — Are you saying it is unfortunate?

Mr COLE — There are many things that are unfortunate that people must accept. The role of the Leader of the Opposition in this matter is appalling. It reveals why he has that low 23 per cent approval rating — actually I am surprised it is so high! When one shows irresponsibility and poor behaviour in the way he has done on this issue, and when one is inconsistent and does not apply the same policing standards to others as have been applied to meatworkers — —

The SPEAKER — Order! The honourable member has 2 minutes.

Mr COLE — In that case, I will round off. I am concerned about the planning views put by the honourable member for Berwick. I am sure the developers will be pleased and they will think the honourable member is a great possibility for them for the future. Such a planning path will lead to disaster.

It is an appalling situation for the Lord Mayor of the City of Melbourne to yet again destroy a proposal for the development of the Regent Theatre site. He should resign; his resignation has been called for today.

The sooner you people wake up and get rid of the Leader of the Opposition the better off Victoria will be!

Debate interrupted.

PHOTOGRAPHING OF CHAMBER

The SPEAKER — Order! Before calling the next speaker, I advise the House that I have given permission for still photographs to be taken during the grievance debate this afternoon. The photographers are from the prestigious American magazine *Town and Country*.

The purpose of the photographs is publicity for the Melbourne Spring Racing Carnival, and thereby the promotion of Victoria. I request honourable members to take that into account during the period when they may have their photographs taken.

Mr E. R. SMITH (Glen Waverley) — On a point of order, Mr Speaker, if we are to provide good publicity surely we should be thinking of a time of day when the House will have an ample number of members present. Your ruling in the past has been that television cameras should not pan around the Chamber when it is half empty. We should do this at a stage later in the day when more honourable members are in the House.

The SPEAKER — Order! The availability of the photographers is not a matter under my control. I shall certainly seek the cooperation of the Whips in ascertaining whether further honourable members can be asked to enter the Chamber.

GRIEVANCES

Debate resumed.

Mr LEIGH (Malvern) — The matter I grieve about is what might be described as "Labor mates" and the money they have been taking from Victorian taxpayers.

When the government was elected in 1982 it took over a Public Service that willingly cooperated to implement government policies. Today on the eve of another change of government — which will happen at the next election — the coalition cannot be assured of the same attitudes in the Public Service that the Labor Party inherited when it came to government.

In past years the Labor Party has highly politicised the bureaucracy and gradually moved its people in. That has been demonstrated in the past few weeks during question time. The Labor mates have progressively been introduced to the Public Service and have moved up the ranks; in some instances they have jumped three or four rankings of the SES in one go!

Mr Perton — That is slow moving!

Mr LEIGH — Yes, and I will come to that. I wonder how any normal public servant who is professional in his attitude and is attempting to do his best on behalf of the Victorian taxpayers would feel when he sees, if I may use the term, the political apparatchiki move into the system — —

Mr Perton — Comrades!

Mr LEIGH — Comrades! Progressively the Labor mates have developed and now look after themselves. They consider it is important that the bureaucracy looks after them. That has been demonstrated here recently because they do not wish to see Parliament operating properly. They operate outside in committees with their Labor mates.

In the past few days the issue of the Gordon contract and whether it was or was not signed has probably become somewhat confused to those outside. Suffice to say, what has happened is that the Labor Party and the Minister for Transport and his advisers have got together. Regardless of whether the contract was signed or unsigned — whether the Minister for Transport deliberately misled Parliament is another matter — Mr Gordon is a personal friend of the Minister for Transport. He set out to write his own contract with an exclusion clause allowing him almost whatever he wanted once the government decided he was no longer needed.

The Minister for Transport consistently said in this place that he was removing people from the Public Service. According to him he offered redeployment in the first place — but that is not true. He moved a Labor mate from one place to another. However, the mate did not want that; he wanted out because he could see the golden goose with a large amount of money was about to fall into his arms. One must almost come to the conclusion after today's question time that Mr Gordon received $200 000 of taxpayers' money in sixteen months, including the $95 000. Either we have a golden goose or a Tattslotto agency down at the Public Transport Corporation for those who are allies of the Labor Party!

Mr Gordon is not the only example. The Minister has said that the son of Joe Sibberas, Frank Sibberas, was being unfairly treated. Does anyone realise that for many years Frank Sibberas was the convenor of

the ALP transport committee? He sits there in Transport House telling the Minister for Transport what to do. The Minister has said, "The opposition has unfairly attacked Joe's son because he got a job in the system".

The information made available during question time yesterday quite clearly shows that that gentleman would not have had that opportunity, except that he had an involvement through somewhere else. The Public Service was saying it was disturbed by his advancement and the positions he gained.

I now move on to Mr Peter James Parkinson. When I heard that name mentioned in question time the other day, I thought to myself, "I know that name". It took me some time to remember from where, but then I remembered that I know it from "Nunagate" — Mr Peter James Parkinson was one of those deeply immersed in the Nunawading affair. The *Herald-Sun* quotes the Minister for Transport as saying outside the House the other night that Mr Parkinson was:

> ... one of the most able persons in Victoria who is recognised by employers, unions and the Public Transport Corporation as an excellent independent industrial conciliator ... "pillared" in Parliament.
>
> He said after checking Mr Parkinson's contract last night it was about $80 000 plus an allowance and compensation for using his own car.

The Minister disputed the opposition's claim that he was getting $102 000. However, I did some checking and it does not appear that anyone in the private sector doing that type of work gets that sort of money.

Therefore, one has to ask: on what grounds did Mr Parkinson receive such a large amount of money? The Minister disputes the amount but when one adds up the car and the other benefits, it totals $102 000. I am told that at places such as the Shell company people do not receive that sort of money for those types of jobs yet Mr Spyker said, by imputation, that this was an honourable man. I will now quote from *Hansard* of 16 October 1985.

On that date the honourable member for Dandenong introduced a statutory declaration to the Chamber, which he made available to Parliament. His statement appeared to be an attack on me over the Nunawading affair, and after making that attack the honourable member for Dandenong seemed to have some problems in making the document concerned available to Parliament.

At one point during his speech I raised a point of order that the document should be made available to Parliament and the honourable member for Dandenong said:

> I shall make it available to the Minister.

The Speaker at the time said:

> Order! There is no qualification. The honourable member either makes the document available to the House or refuses to do so.

For some reason the honourable member for Dandenong said:

> I refuse to do so.

The Speaker said the honourable member was out of order in quoting from the document and Mr Norris then had a change of mind and said he would make the document available to the House. The following interchange then took place:

> The SPEAKER — Order! There seems to be some disputation in the House and, if it continues, I shall ask the Serjeant-at-Arms to take action. I ask the honourable member for Dandenong to make the document available to the House.
>
> Mr NORRIS (Dandenong) - Certainly, Mr Speaker, but I seek your guidance.
>
> The SPEAKER — Order! There is no qualification. The honourable member quoted from a statutory declaration which he was asked to make available to the House. I ask him to now make it available.
>
> Mr NORRIS — I was about to do so but I was being stood over by the honourable member for Forest Hill. Am I to put up with that?
>
> The SPEAKER - Order! The honourable member is in the Legislative Assembly, not in the theatre.
>
> Mr NORRIS — Mr Speaker, I suggest you say that to the honourable member for Forest Hill.

That is where it finished. What was interesting — and I now understand why — is that the statutory declaration was not forthcoming to Parliament. Peter James Parkinson put together a statutory declaration and I will read it. If the House requires me to make it

available, I am more than happy to do so. He declares:

> That on the seventeenth day of August, 1985, between 8.00 a.m. and 11.00 a.m., I was handing out ALP How-to-vote cards at the eastern entrance at the South Croydon Primary School polling booth, Belmont Road, Croydon South.
>
> During this period I observed a male dressed in "dry-as-a-bone" coat, leather hat and riding boots with a stock whip visibly protruding from his coat pocket, who was handing out how-to-vote cards for the Mountain Cattlemen's Association.
>
> I also observed another male who was handing out how-to-vote cards for the Liberal Party, a person who I knew as Geoff Leigh, Liberal MLA for Malvern. On sighting the Mountain Cattlemens' how-to-vote card, being handed out by the male dressed as a "cattleman", Mr Leigh was observed by me to become distressed and disturbed by the format of the "cattlemens" how-to-vote card by expressing his concern to the "cattleman" that the card did not indicate preferences and had the potential for informal votes being cast by voters which would be detrimental to Rosemary Varty, the Liberal Candidate, if the "cattlemans" card was followed.
>
> I observed a discussion between the "cattleman" and Mr Leigh in relation to this matter. Subsequently I observed the "cattleman" return the "Mountain Cattlemens' how-to-vote cards to a nearby vehicle from which he returned and proceeded to hand out Liberal how-to-vote cards.

Firstly, there are some inaccuracies in that statement. I was never distressed. More importantly though, at no stage was anybody threatened by me. I am 6 foot, 3 inches tall, but that mountain cattleman was about 5 inches taller than me, his hands were double my size and he was carrying a stock whip! I was of no threat to him! He genuinely understood what I was saying and decided to hand out our cards.

That statutory declaration was about two things: firstly, it was about confusing the issue of Nunawading; and, secondly it was to get the police chasing red herrings somewhere else. I had two interviews with police officers totalling 3 hours about what I might have done or not done. The fact of the matter was that it was a waste of time. It was designed to cause problems for the opposition, which was ridiculous because there was no problem.

The untrue statutory declaration was signed by none other than Peter James Parkinson — the very man the Minister for Transport is describing as an able man who is a credit to our society.

Mr Norris interjected.

Mr LEIGH — For the benefit of the honourable member for Dandenong, to knowingly make a false statutory declaration is called perjury and can result in something like five years gaol.

Mr Norris — It is your word against his.

Mr LEIGH — Mr Parkinson committed perjury.

Mr Norris — You signed a stat dec!

Mr LEIGH — Mr Parkinson perjured himself.

Mr Norris — Say it outside the House!

Mr LEIGH — He perjured himself.

Mr Norris — Say it outside the House!

Mr LEIGH — This man worked for the Municipal Officers Employees Union and was closely associated with the now Minister for Labour, Mr Neil Pope. Mr Parkinson has now been receiving $102 000 a year of Victorian taxpayers' money — 50 per cent from the Minister for Labour and 50 per cent from the Minister for Transport who is never around.

The government has been using this place as a rort. It has become so bad that in some of his statements the Minister for Transport is right. I will quote from the *Mordialloc-Chelsea News* of 8 October this year when the Minister stated:

> ... the community are very angry ... what they see at the moment is a recession and a lot of unemployment and they expect leaders of both sides instead of nitpicking to get on with the job.

That is true. The people do think that. They are upset about all the golden handshakes being offered by members on the other side of the Chamber to various people, including Ann Morrow, a close personal buddy and long-time friend of the Premier. I believe her husband, Professor Power, has been doing quite well out of the State taxation system also.

All these individuals over time are accruing lots of money.

Mr Dollis — Go outside the House and say that!

Mr LEIGH — We also have the next possible Minister in the government, the honourable member for Richmond. He knows what it is like to shred documents because I understand that during 1985 — —

Mr DOLLIS (Richmond) — On a point of order, Mr Speaker, if the honourable member for Malvern has any guts, let him repeat the same points outside the House. I shall meet him in 6 minutes at the front of the House. Let him repeat the comments and see where he is going to go.

The SPEAKER — Order! There is no point of order.

Mr LEIGH (Malvern) — I am told that during an investigation into the former Ethnic Affairs Commission, when the police wanted to talk to the honourable member for Richmond about a conversation he had with Michael Salvaris, the friend of the Premier, he would not talk to the police. It is no wonder the police could not finish their inquiries when the honourable member for Richmond would not talk about it. This is the honourable member who only in the past few days was described as "Demetri Dollis, the experienced performer with a political mind". He has a political mind to sensitive documents! We should not let truth get in the way of a good story for the honourable member for Richmond and some of his mates.

I shall mention what he and his mates did during his time as a Ministerial adviser to the then Minister for Ethnic Affairs, who is none other than the current Minister for Transport. What happened to Gary Shepherd, the former head of the Ethnic Affairs Commission? He now works for the Guardianship and Administration Board, and if one asked him whether the Minister for Transport was one of his close mates, he would probably put him about as low in the polling as one could get.

What happened to George Papadopoulos? He was rolled. One night he drove a government car into a brick wall. He subsequently fixed it himself, but the boot was a bit funny. It has been alleged that George did not have a licence, and he has left Ministerial service. People from the Office of Ethnic Affairs have come to me and told me what has happened. I am only reciting what people tell me. I think there is a conspiracy about the Leader of the Opposition, me and others.

In the local newspaper, the *Mordialloc-Chelsea News*, the branch president of the Minister for Transport's electorate office — —

Debate interrupted.

PHOTOGRAPHING OF CHAMBER

The SPEAKER — Order! I do not wish to take the honourable member's time. However photographers from a prestigious magazine have come into the Chamber and are to take photographs to promote Victoria; in particular, they are interested in the Legislative Assembly Chamber.

GRIEVANCES

Debate resumed.

Mr LEIGH (Malvern) — The branch president from the Minister for Transport's electorate office is reported in the newspaper as saying:

> ... members "scoffed" at the idea of Mr Spyker resigning. About 15 of the branch's 72 members attended the meeting.

What the branch president would have done had she voted the other way, I do not know. Now the conspiracy is that I, along with the Leader of the Opposition, am involved in the plot. Miss Brinkley is reported as saying:

> ... some members believed that Opposition Leader Jeff Kennett had targeted Mr Spyker to give "his mate" Geoff Leigh ... a chance at the seat.

Thank you, Jeffrey. I did not know the press spent week after week with the Minister for Transport's electorate office for my benefit. I am impressed. I thank all government members who are assisting with information. It seems that after nine years of Labor government members are ready for only one thing. If one is a friend of Labor one is in trouble, especially when the ship is going down, so it is a good idea to take a golden handshake. If one is lucky one will get a job in Canberra, like Ann Morrow, before Bob gets the boot.

This government is not about the interests of the people of this State. After governing for a small handful of people and after what has gone on in Parliament over the past few years, the government will get what it deserves. If a coalition government did the same thing it could expect the same treatment. That goes for all honourable members in

this Chamber and the new members coming in. The lesson for the future is that honourable members should act in the interests of all Victorians.

Mrs BARKER (Bentleigh) — I raise a matter of enormous concern to me and many of the residents in my area who currently use and will in future use the Godfrey Street Community House — the majority of the users are women and children.

It is important to give some background on the community house to fully outline my concerns about this much needed and progressive facility in my electorate. In 1983-84 a group of women in the area, including me, became aware that Moorabbin council had purchased a property at 9 Godfrey Street, Bentleigh, and intended to use it in the long term for car parking purposes. Those of us who lived and worked in the area and had our children at school in the area had been aware for some time of the need for a community house and we organised a group to lobby for 9 Godfrey Street to be given to the community for use as a neighbourhood house.

In 1983 the concept of community houses was new. There were only approximately twenty in the State and there was nothing around our area. We formed a group known as the Community House Support Group and we set about lobbying the councillors of the day. We did a lot of research, letterboxing, surveying and lobbying the councillors to impress upon them and the community the need for such a facility. We were successful in obtaining council support for that community house and it was set up at 9 Godfrey Street in 1984.

Honourable members interjecting.

The SPEAKER — Order! There is too much audible conversation which is making it difficult to hear the honourable member.

Mrs BARKER — I am raising a matter of grave concern to the women and children in the Bentleigh electorate. National Party members should not think it is not important for them, because it is. If they want to see me get angry, I shall. A photographer has just been here taking a photograph of this Chamber for the purpose of promoting Melbourne. The behaviour of honourable members opposite does not promote anything in this place.

Mr LEIGH (Malvern) — On a point of order, it is a bit unfair for the honourable member to be casting aspersions on the opposition over what is part of the parry and thrust of debate. If she cannot cope with that, that is her problem, but I ask you, Mr Speaker, to request her to withdraw the statement she has just made about what we may or may not think of the City of Melbourne.

The SPEAKER — Order! The statement was so general that I do not think an individual could take offence.

Mrs BARKER (Bentleigh) — After 9 Godfrey Street was set up the concern was that the community did not fully understand what it would be used for. Partly for this reason, the council gave us a twelve-month lease; it was not sure that the community house would be a success.

As I said, the community house at 9 Godfrey Street has gone from strength to strength. It is impossible to guess how many hundreds of women and children have taken advantage of the courses and programs offered by the house. Many of the women have stayed on to work as volunteers and teachers, while others have moved on to further education. In many cases the women have returned to their communities with more skills and enhanced self-confidence.

From small beginnings in 1983-84 the community house now employs a full-time coordinator. The house is funded by Community Services Victoria and through the further education section of the Ministry of Education and Training.

This year we received a computer, which will increase opportunities for training and information sharing for women in our area. We also received funding from the Office of Preschool and Child-care for two occasional child-care periods each week. Occasional child-care is inexpensive and allows parents the opportunity to have a break from their children while contributing to the overall functioning of the house.

Earlier this year it became obvious that more space was needed and that renovations to the house were required. Members of the community house had successfully applied for capital funds from the further education section and renovated an outside garage, which created more space. Outside toilet facilities, which are not connected to the house, still require upgrading.

The increased demand on the services provided by the community house, caused by the current economic difficulties, also made the need for extra space more urgent; and we have spent a

considerable amount of time adapting our programs and services to meet the needs of the influx of users.

I became aware of a Federal scheme called the Training and Work Experience program and made inquiries through the Victorian Building and Construction Industry Training Board, which handles such applications. After lodging an application with the board I was told approximately one month ago that our application for funding had been successful. We had a discussion at the site with representatives of the Victorian Building and Construction Industry Training Board and Lend Lease, which supervises the work carried out under the program. We were told that we would be given up to $18 000 for materials and that the labour required would be supplied by out-of-trade apprentices. It was suggested that the best way to provide the much needed space was to add on a small room at the back of the house and upgrade the toilet and store facilities.

An important part of the project was that out-of-trade apprentices would make the additions, under supervision. They would be credited for their work, which would enable them either to sign off their indentures or make significant progress towards doing so. Many people in my electorate were pleased with the plans for the expansion of the house, because many apprentices in my area have been unable to finish their training. We are concerned that if apprentices are unable to finish their training they will be unable to be part of a skilled work force so necessary for the future well-being of our State. Although the Victoria First program has provided funds for extra training places, it is important to ensure that building trade apprentices receive the theoretical and practical training they need.

Because the house is owned by the City of Moorabbin it was necessary to arrange urgent discussions to seek the council's approval for the extensions. I am grateful to those council officers who dealt quickly with the matter and made a recommendation that, although in the long-term the site would be used for a car park, the renovations should go ahead and that the community house should be given a five-year lease, which I do not believe was unrealistic. We need that time to ensure that the project becomes viable, without the restraint of having to renew a lease every twelve months.

I acknowledge the council's need to forward plan, particularly in the area surrounding the Bentleigh shopping centre in which the community house is situated. I also acknowledge the need to upgrade the shopping centre, which has suffered from a downturn in trade in past years. Part of this is because of the unattractive nature of the area and the expansion of Southland has also had an effect on the Bentleigh shopping area. It has the potential to become an attractive shopping centre, because it offers a range of services, including HBA and Medibank offices; and a great deal of time and effort has been put into ensuring that it remains viable. One project to upgrade the shopping centre that has concerned residents in my electorate is the spending of $250 000 on the building of two rotundas in the main street. Thousands of ratepayers are unable to understand why their rates are being used on such expensive projects when services are urgently needed.

Although I acknowledge the council's need for forward planning, the granting of a five-year lease would give us the time we need to ensure the viability of a much-needed facility while giving some breathing space to ratepayers, who are continually complaining about the high rates they have to pay. A five-year lease would ensure the viability of the expanded community house at Godfrey Street while giving employment to out-of-trade apprentices. Further, I do not believe the property would be required for car parking before such a lease expired.

I was stunned by the councillors' decision regarding this proposed project. As I said, council officers gave the go-ahead to the project. At a meeting last Monday night Moorabbin councillors knocked back the proposal to renovate and upgrade the community house. At the meeting the councillors decided that they would recommend to a full council meeting on Monday, 11 November, that the community house remain in its current condition and that it be given only a twelve-month lease.

If the decision is not overturned my community will lose the opportunity of providing the hundreds of women who are members of the house with the services they deserve. Their children, their families and their neighbours will lose the opportunity of gaining extra space at the house at no cost to the ratepayers of the City of Moorabbin, because the renovations will be funded under a Federal government scheme. Although the ratepayers have had to pay for rotundas in the Bentleigh shopping centre, they will not be required to pay for the extensions to the community house. Instead, more redevelopment will take place and more car parks

will be built at a time when ratepayers are asking for relief from high rates.

Last night I came across some information that I thought was interesting and noteworthy. The City of Moorabbin issues a monthly newsletter called *City of Moorabbin Now*. In the March 1991 issue the former mayor, Cr Neil Bennett, mentions the city's new slogan, which is, "The city of opportunity". He says the new city slogan will help the local community through the difficult 1990s with a positive and productive attitude.

He states:

> We want the community to appreciate how lucky we are in the City of Moorabbin and build a greater community spirit and pride in achievement ...
>
> We use the term City of Opportunity because it is a city where opportunity truly exists. The council provides excellent services with a wide range of human and environmental services so that people of all ages can live healthy and enjoyable lives. The facilities available for all sorts of activities in the City of Moorabbin are beyond compare ...
>
> The city has tremendous employment opportunities through its business and commercial sectors. We have Moorabbin Airport which provides a gateway for business, tourism and recreation. We have outstanding recreational facilities providing for many sports including golf, cricket, hockey and football to be played and watched at the highest level.
>
> The city's residential areas provide residents with opportunities to raise families in a clean, healthy and green environment.

I do not believe Moorabbin can be called the city of opportunity if its future lies in providing car parks. All they do around Bentleigh shopping centre is build car parks. The city provides excellent services for cricket, golf, hockey and football, and although I have nothing against sport I believe the council has to be realistic about the other community requirements, some of which are provided by the community house. I do not believe opportunity lies in providing car parks and nothing else.

The Godfrey Street Community House provides many opportunities for residents — mainly women — and the proposed project will also provide an opportunity for trade apprentices to receive training. Moorabbin City Council has to allow a period of five years in which residents and ratepayers can be given the community house so they can learn, support one another and conduct activities. In his newsletter Cr Neil Bennett says they can build a greater community spirit and pride in achievement. I believe the opportunity to do all this rests in the hands of the councillors — not the council officers — of the City of Moorabbin.

I hope that at the meeting on 11 November all the councillors will show they have some idea of what human services are all about and that in these difficult times they will not impose further burdens on the ratepayers of the City of Moorabbin and will allow this much needed project to proceed. It will give trade apprentices accredited training and provide hundreds of women and children with a much-needed facility, at no cost to the ratepayers of Moorabbin.

I urge the Moorabbin councillors to take the opportunity to show that human services are important to them. I sincerely hope that at its meeting on 11 November the council will reverse its decision not to proceed with the project, and I urge all residents in the Bentleigh/Moorabbin area to get behind the project, because it would be an absolute disgrace if the council did not go ahead with it.

Mr COOPER (Mornington) — I raise a matter that was brought to my attention some months ago by a constituent of mine and it relates to the Lifts and Cranes Act. I am disappointed to note that the Minister for Labour has left the Chamber. I was hoping he would be here to hear my grievance.

The matter relates to section 11 of the Lifts and Cranes Act which states:

> An inspector shall from time to time inspect all lifts whatsoever which have at any time been constructed or which are being used or which are in course of construction and upon making any inspection shall if required by the occupier sign and deliver to him a certificate certifying the result of the inspection.

The section of the Department of Labour which handles the inspection of lifts and cranes has issued a chart showing the fees for the inspection of lifts. Those fees have been imposed from 1985 to 1991. In 1985 the yearly inspection charge for a lift with a speed exceeding 2.3 metres a second was $220. By 1991 that figure had risen to $309. In 1985 the charge for a lift with a speed not exceeding 2.3 metres a second was $110. In 1991 the charge is $158.

Each year the Department of Labour sends a bill for inspection to people who have a lift. This year, if you have a lift with a speed not exceeding 2.3 metres a second you will receive a bill for $158. If you have a lift that is faster than that the bill will be $309. The point I wish to make is that the department is charging people who have lifts or escalators for services they do not receive.

As a result of having this matter drawn to my attention I made a Freedom of Information request to the department and eventually I was able to inspect the files relating to lifts in the shires of Mornington and Hastings. Also, I had access to but did not bother to inspect the files relating to the City of Frankston and the Shire of Cranbourne.

I shall give examples of what has happened in the Shire of Mornington. I have been told by a person in the department that the matters I am about to put are examples of what is going on around the State. In a major shopping centre in a main street in the Shire of Mornington there are two escalators which were installed in September 1976. Since 1985 — I was not able to ascertain what was paid prior to that year — a fee of $926 per escalator was paid for seven inspections but the escalators have been inspected only three times over those seven years.

Since 1985 the Mornington Bush Nursing Hospital has paid $926 for seven inspections of a passenger lift but only two inspections have taken place. The same fee applies to the service lift at the same establishment but only two inspections have been carried out. A fee of $699 was paid for five inspections of the service lift at the Dava Hotel, Mount Martha, but only one inspection has taken place. A fee of $926 was paid for seven inspections of a service lift at the Australian Administrative Staff College, Mount Eliza, but only three inspections have taken place. A fee of $926 was paid for seven inspections of a wheelchair lift at the same establishment but only five inspections have been carried out.

A fee of $699 was paid for five inspections of a stair lift in a private home in Nunns Road, Mornington, but only one inspection has been carried out since the lift was first installed in 1985. In fact, that inspection was when the installation took place and the lift has not been inspected since.

Fees of $926 have been paid for seven inspections of a stair lift at a private home in Rutland Avenue, Mount Eliza. However, only one inspection was done when the lift was first installed in 1983. Fees of $926 have been paid since 1985 for seven inspections of a service lift at the Mount Martha Primary School, but only two inspections have been carried out. Fees of $304 have been paid for two inspections of a wheelchair lift at a private home in Frontage Way, Mornington, but only one inspection has taken place. Fees of $926 have been paid for seven inspections of a wheelchair lift at a private residence in Pleasant View Court, Mount Martha, but only two have been carried out.

In the Shire of Hastings $304 has been paid for two inspections of a stair lift at a private residence in North Crescent, Somers, but only one inspection has been done. Fees of $926 have been paid since 1985 for seven inspections of a service lift at HMAS *Cerberus*. Those fees were paid by the Commonwealth government but so far no inspections have been carried out.

That is a disgraceful record. The City of Frankston has 31 escalators, 67 passenger and goods and services lifts, 3 limited-mobility lifts and 10 moving walkways, and I am advised that the level of inspection of those lifts is exactly the same as the level of inspection in the shires of Mornington and Hastings.

As I said earlier, I am advised that the inspection level throughout Victoria is at an all-time low and that the Department of Labour does not have the resources available to carry out the work required. The relevant section of the department has two senior inspectors and seven inspectors and they must cover every lift and crane throughout Victoria. Clearly, they are under-resourced.

The point I direct to the attention of the House and the Minister for Labour deals with duty of care. The Minister for Labour is renowned for the fast speed with which he operates when he wants to kick private sector companies. On a number of occasions he has made allegations in this House — many of which are still to be proved — about the failure of companies to adhere to proper safety standards. Every honourable member has heard the Minister — usually during question time when answering a dorothy dix question from one of his backbench henchmen — verbally belting private sector companies, but the matters are not heard of again after the headlines on the television news and stories in the newspapers the following morning.

Mr E. R. Smith — And a bankruptcy six months later!

Mr COOPER — That is correct. The Minister is always prepared to stand up and crow like the bantam rooster he is about how efficient he is in carrying out his duties. However, through the information I have obtained I can inform the House that the Minister has failed to provide the necessary resources for the essential activity of ensuring that lifts, escalators and cranes throughout the State are safe.

Lifts and escalators in buildings in Melbourne carry thousands upon thousands of people each day. What happens if one of them fails and someone is injured or killed? Who will take responsibility? Where does the buck stop? Section 11 of the Lifts and Cranes Act 1967 states:

> An inspector shall from time to time inspect all lifts whatsoever which have at any time been constructed or which are being used ...

That clearly establishes that the Minister has a duty of care to ensure that inspections are carried out from time to time. It would be a most interesting exercise at some stage for the courts to establish whether "from time to time" means never or once every 7, 8 or 9 years. I do not believe any court would regard as reasonable the long delays I have disclosed to the House.

Mr Gude — It is multiskilling!

Mr COOPER — There is no multiskilling here. Only nine people are charged with the responsibility of the inspections, and I am sure they would like to see a few multiskilled people assisting them. Members of the public are unknowingly riding in and on machinery for which the government has a duty of care that is being ignored. That is not good enough. The Minister is not exercising due diligence or proper duty of care.

It is up to the Minister to get into this Chamber — he has approximately 45 minutes — and to explain to the House why he has not done his job properly. It is absolutely no good for the Minister to stand back and say it has nothing to do with him. If a lift fails and people are killed the buck will stop with him.

The Minister must take action within his department. If people are killed I assure him that the opposition will make it clear to the people of the State who is responsible. The Minister will not be able to walk away from that. I call upon the Minister for Labour to come into the Chamber. He is somewhere in the building and is probably listening to what I am saying. I ask him to come into the Chamber and explain himself. He must give assurances to Parliament that he will act responsibly and with due diligence in regard to his duties as a Minister of the Crown.

Mr McNAMARA (Leader of the National Party) — It is nice to see my friend the Minister for Transport at the table. The issue I shall raise is the responsibility of the Attorney-General, but I ask the Minister for Transport to pass on my remarks because it is a serious issue. I shall refer to the Crimes (Blood Samples) Act 1989, the sunset provision of which was amended earlier this year by the Crimes Legislation (Miscellaneous Amendments) Bill (No. 2).

At that time the shadow Attorney-General, the honourable member for Kew, raised her concerns at the speed with which the Attorney-General was attempting to force through the legislation. She was concerned that debate on the Bill was adjourned for only one week after the Attorney-General's second-reading speech, which she said was insufficient time for her to consult with people who may have had an interest in the legislation. I direct the attention of the House to the comments of the honourable member for Kew as recorded at page 2607 of *Hansard* of 28 May 1991.

Now honourable members can see the problems that have been caused because of the haste with which the Crimes (Blood Samples) Bill was pushed through: in a particular case, the police have attempted, under that legislation, to obtain a blood sample and they have run into some extreme difficulties.

I refer to the murder of Miss Heather Nelson in Geelong. This is an horrific example of one of the several murders that have been committed in this State in recent years. Miss Nelson was at home with her three-year-old child. She was savagely assaulted, raped and murdered. From the coroner's inquiry, it appears possible that the rape was committed after her death. Her body was left in the house with the three-year-old child. Only the cries of the child alerted neighbours to the situation. The child had to stand on the mother's body to reach the handle to open the door and allow neighbours and police officers into the house. Goodness knows what effect this experience will have on the child's emotional development for the rest of its life and I am sure all honourable members will be concerned about that.

That was only the start of the issue. Police officers conducted their criminal investigation. They took samples of the deceased mother's blood and, with the approval of the guardians, they were able to take a sample of the young child's blood. They also had samples of the semen.

Then, through a process of DNA testing, they ascertained that the murderer was also the father of the child. Obviously the field was narrowed down substantially. Initially there were eight suspects in the case. The police have blood samples from seven of those, who volunteered to have blood samples taken. Following the taking of the blood samples, the police have eliminated seven of the eight suspects. The remaining suspect has consistently refused to allow the police to take a blood sample. Police officers are saying that if his claims of innocence were correct, they could discount him as a suspect.

Under the legislation police officers took the case to court. The court has refused the police their request to take a blood sample at this stage.

I point out that in this case no individual has been charged with the offence of murder or rape. The person who has been requested to provide a blood sample and has refused to do so has subpoenaed the police and requested the full police file.

Because the Act appears to be silent on this issue, the court has determined that it will rule in favour of the applicant. I refer to the judgment in the Supreme Court case, where the judge said in part:

> These considerations lead me to the view that any ambiguity in the legislation should be resolved in favour of those whose personal rights are so seriously affected. I reach that conclusion notwithstanding an acute awareness of the fact that someone in 1988 so savagely interfered with the rights of the late Miss Nelson, including her right to live. I agree with the submission of both counsel that if Parliament had wished to make the matter clear, it could easily have done so. It is as if Parliament had either legislated ambiguously so that the courts could fill the difficult gaps or, and perhaps more probably, had simply not turned its attention to the question whether an application under section 464U is a "criminal proceeding" within the meaning of section 43 of the Act.

Honourable members need to seriously address this issue. On 29 October I wrote to the Attorney-General advising him that I intended to raise this matter during the debate on the motion that grievances be noted. It is a matter of the utmost seriousness and it must be addressed before Parliament adjourns at the end of this spring session. I had hoped the Attorney-General would have made himself available to hear the comments I am making.

Mr Gude — Where is he? Coward!

Mr McNAMARA — I direct the attention of honourable members to a media release of the Attorney-General of 8 May of this year, headed "Opposition threat to police powers Bill". It contains the following statements:

> Urgent government legislation to allow the police to continue to take blood samples from people suspected of committing serious crimes is at risk from opposition blocking tactics, Deputy Premier and Attorney-General Jim Kennan said today.

The Attorney-General is reported as saying:

> ... urgent legislation was required in this session of Parliament, or the provisions in the Crimes Act on the taking of blood samples from suspects would expire ...
>
> More time is a luxury the police might not have.
>
> I have also proposed to extend the legislation to enable police to obtain an order from a Magistrates Court to compel a person to provide a blood sample where the person is suspected of committing a serious crime against the person, such as kidnapping, conduct endangering life and causing serious injury and armed robbery.

Clearly at the time the Attorney-General was quite happy to make political mileage out of this issue. The point I make is that if Parliament had taken a little more time before the amendments had been made, the situation might not have arisen in which police officers are totally frustrated in the operation of the Act.

Mr E. R. Smith — And a potential murderer will get off!

Mr McNAMARA — The Premier has made numerous statements in which she has indicated clearly that she is concerned about the safety of Victorians, particularly women, and that she is concerned about acts of violence, including rape, that have been perpetrated against women in Victoria over recent years. If such issues are to be resolved, honourable members must ensure at least that the legislation passed by Parliament is effective.

The intent of the Crimes (Blood Samples) Act is to try to speed up the process by which police officers can obtain blood samples from people they believe are appropriate to approach in their attempts to solve serious criminal cases, such as the horrific example I have cited of the murder in Geelong, which highlights the point I am making.

In that case, the magistrate made the initial determination. The matter was then taken to the Supreme Court, where the findings of the Magistrates Court were verified; the judge in the Supreme Court also found the legislation to be deficient.

As I said, I have asked the Attorney-General by correspondence — and today I reiterate my request — that he take the earliest possible opportunity of introducing amending legislation that will speed up the process provided by the Crimes (Blood Samples) Act so that it can operate as was intended.

It is worth reminding members of the general public and members of this House in particular that it was through the actions of Mr Bruce Chamberlain, an honourable member for Western Province in the other place, that the legislation was first introduced into this Parliament. A couple of years ago, Mr Chamberlain introduced a private member's Bill on which the government refused to act. The government introduced its own legislation in 1989.

Mr E. R. Smith — They got it wrong!

Mr McNAMARA — As the honourable member for Glen Waverley points out, they got it wrong. I urge the Minister at the table, the Minister for Transport, to get the message through to members of the Cabinet that the Victoria Police want the matter resolved. In future such horrific cases as the murder at Geelong to which I have referred must be able to be solved through the use of technology, such as DNA testing. Senior members of the Police Force, including the Deputy Commissioner (Operations), Mr John Frame, have referred to the effectiveness of DNA testing. Mr Frame is quoted in a newspaper article as having said:

> ... overseas experience had placed DNA testing at least on a par with fingerprinting as an investigative weapon.
>
> "Potentially it's got a lot of value for us, not only in identifying offenders but equally importantly in eliminating suspects"...

I should hope we can take a bipartisan approach on this measure and ensure that it operates effectively.

Mr SEITZ (Keilor) — The matter I raise in the grievance debate concerns a former student of mine and his experience with the WorkCare scheme, the accident claims agents and the Accident Compensation Commission.

In 1988 this young man suffered an injury at work that was witnessed by many people. He received treatment for his back injury and was paid under WorkCare. Unfortunately the treatment did not improve his condition and in fact created more pain. The injury was so serious that he could not return to his former job. He endeavoured to do light duties for a company but when it was sold he lost his job. This young man refused to be classified as a cripple; he tried to get regular employment but was unsuccessful.

The State Insurance Office, which was his accident claims agent, referred the case to the Accident Compensation Tribunal because someone thought he did not have serious injuries, that he was pretending and that he should not be on WorkCare payments. This young man has been very active and experienced great trauma in dealing with the claims agent, the tribunal and the whole process.

Honourable members should appreciate the trauma injured workers must go through in dealing with the bureaucracy that has developed since the WorkCare scheme was introduced in this State. The lawyers and doctors have discovered new ways of earning a comfortable living through the system. Their fees have added significantly to the costs of WorkCare. It is the injured worker who is missing out.

The judge who heard the case said that the worker was being browbeaten in an attempt to get him to admit that his claims on WorkCare were false. The judge was of the opinion that someone at the Accident Compensation Commission had decided that the young man's claim was fraudulent and had gone to great lengths to prove that assumption. This young man was placed under great strain in his efforts to cope with the bureaucratic and legal means that were attempting to prove that assumption. It is one of the greatest misuses of power I have experienced in any bureaucracy. Although the government established the WorkCare system to care for employers, injured workers and our society, the bureaucracy it created is abusing the system.

The judge who heard the case found it astonishing, and decided that the worker and not the Accident Compensation Commission was in the right. The judge also made comments about the average worker who has little experience with the legal profession. The average worker has much difficulty in wading through the legalese and mumbo jumbo of workers compensation documents. This young man was told by the commission that it might be in his best interests to see a lawyer. That perpetuates their own industry and adds significantly to the costs that the community must pay.

This young man was married with one child and had great difficulty in paying for a lawyer. When he approached a legal firm he was told that his union might foot the bill if he lost the case. The lawyers guaranteed that they would be paid. Fortunately the union backed this young man but did not have to pay because he won the case.

The Accident Compensation Commission and its bureaucracy also includes doctors and psychologists. Certain ethnic communities have been maligned; an honest worker with an injured back is thrown into a category. These people lose their self-respect in their attempts to fight the system. They are forced to use their own money to employ lawyers and accountants to keep up with group certificates and tax returns. The constituent of whom I speak has collected all the group certificates and on a rough estimate has calculated that he has not received payments because of delays and confusion. He says he has not received certain cheques for $1682, $300, $1388 and $7965, but he has the group certificates covering those cheques so he is expected to pay the tax on those amounts.

Mr E. R. Smith — Where did they go?

Mr SEITZ — That is what I would like to know. Somebody must have cashed them. The commission in a letter said it was unable to provide documents to substantiate how the previous payments had been made. Victoria seems to have developed a bureaucracy that exists for its own purposes and not for the purposes for which it was established. I am upset and annoyed that the workers are not being looked after. This is one of the worst cases I have come across.

I understand one person was given $2 to travel to a hearing from the country. This young man has had to visit numerous doctors. Fortunately his parents are well off and were able to advance him the money and support him through the hard times. I have known this young man since he was in year 7 and encouraged him to take up an apprenticeship. He was good at his trade and does not want to be crippled. He wants to get out of the WorkCare system and make his own living.

One of the provisions in the Act allows injured workers to receive advance payments so that they can have cash in hand to buy a business. The State Insurance Office, as the claims agent, enabled this young man to use that provision so that, even if he had to do the baby sitting and the domestic chores, his wife could work in the business. He found a location for the business, obtained all the relevant information, sorted out the problems with the legal eagles and then received a letter telling him that the State Insurance Office was no longer his claims agent and that he had to send his contract, doctors certificates and the rest to another WorkCare claims agent, FAI Insurances Ltd.

He has been transferred to another area and has a different claims agent. The original claims agent said that he had too much work to do. The original claims agent said that he will receive an advance payment of up to five years salary so he can set himself up in business and look after himself, but he had to change claims agents.

I made inquiries about this person being transferred to another claims agent. Because of that, he had to go through the assessment procedures and costs again. The Minister should investigate the matter and the Accident Compensation Board should carry out a proper investigation of this particular case. I have read the judgment and that judgment is damning towards the Accident Compensation Commission that has pursued this matter in such a zealous manner. The commission should not have the right to infer that there must be something fraudulent about this person because he has a certain Mediterranean background, that he is an actor and the commission will prove its case that the person is a fraud.

This person moved to the country to buy a house and do some work. He went to his local GP who did not understand the WorkCare rules and the GP did not issue a medical certificate and, of course, the payments stopped. The GP thought this person was not entitled to a fortnightly cheque. Because the medical certificates were not issued it created further hardship and this man has not been able to pay his telephone or other bills. He has had to travel to Melbourne to get his medical certificates for specific dates.

I raise this issue out of deep concern because it is not the first case. This is a prime example of harassment of a worker. The commission and the claims agent are pursuing this man. The government has a responsibility to examine what the legal and medical profession has done in this matter. Those two professions know how to get into the system and make big money out of it. It does not matter to them whether the worker receives payment.

It has become a nightmare for the average Australian who does not have an understanding of the English language. They cannot keep up with the legal terminology, the bureaucracy or the various claim agencies that have developed into a boom industry. The worker is the loser.

WorkCare payments have been reduced for employers, but what is of concern to me is that the whole system as it is currently set up needs to be reviewed because the injured workers are not getting a fair deal; they should be put on an equal footing and be protected.

Those who do not work in a bureaucratic system, such as plumbers, labourers, bricklayers, roof tilers and electricians, are not familiar with the system and become annoyed and aggravated when they have to sit around waiting for 2 hours or more to see a lawyer or a doctor, particularly when appointments have been made. To get a claim through one must persist and front up to every medical doctor, every legal interview and to have witnesses available.

In this case, the Accident Compensation Commission lawyer subpoenaed witnesses but left the subpoenas until midnight the day before the hearing. It only gave the witnesses 8 or 9 hours notice to produce documents or other material. I do not know whether it was a State Insurance Office or Accident Compensation Commission instruction to pursue this matter. The judge assumed that it was somebody within the organisation who decided that this man is probably one test case out of 1000 and there will be another headline about the ethnic community making fraudulent claims against WorkCare. Because the claim against this person did not succeed there was no going back. What did the claims agent do? It shifted the worker to another company and the process started all over again. The man does not want to be labelled a bludger by his wife and children because of this. He has tried to get out of the system and make a living as best he can, but he cannot.

I urge the House to take note of this particular matter and ask the Minister to examine it. I shall present all the documentation to the Minister and ask him to conduct an inquiry into the case. The case borders on civil liberties because of the harassment of trying to prove that this man has been fraudulently making claims against WorkCare for back injuries. The court has said otherwise and the man should receive all the assistance he can for his own esteem, and for his family and his children. It is difficult for a person to be labelled a loafer and a bludger who does not want to work. That is very hard to live with.

The bureaucracy has used the system and never washes off the mud it throws. It is difficult for the average citizen in our community to finance and fight such a large bureaucracy which is running rampant and has enough taxpayers' money to prosecute one poor worker who has been injured.

Mr E. R. SMITH (Glen Waverley) — I wish to contribute to the grievance debate today on the undermining of the criminal justice system, the legacy of Kennanisation in Victoria. I commend the honourable member for Keilor for bringing to the attention of the House the important matter of the maladministration of WorkCare.

I hope the media take up the points he raised because it is a complete indictment of the government. I hope the *Labor Star*, in particular, republishes his speech because it shows just where the fault lies in the scheme brought in by the government. I commend the honourable member for Keilor on that point.

I wish to speak on the functioning of the Office of the Director of Public Prosecutions (DPP). That office is a classic example of the problems produced by the Labor government constantly tinkering with the criminal justice system in Victoria.

In May of this year I spoke on the Bill that created the position of Deputy Director of Public Prosecutions, and it was estimated that that would cost in excess of $200 000. At the time I pointed out that since the inception of the Office of the Director of Public Prosecutions in 1982, it had constantly failed to fulfil what had been claimed it would achieve. Since May nothing has occurred to persuade me that the Attorney-General understands the seriousness of the problems in the Office of the Director of Public Prosecutions or how they should be corrected.

Victoria must ask whether it wants a more independent criminal justice system. One of the two main reasons advanced in support of the creation of the Office of the Director of Public Prosecutions was that it would produce a more independent prosecution system. Everyone knows it has not had that result.

The government was warned in Parliament that legislation making the DPP responsible to the Attorney-General rather than to Parliament itself was anomalous. I remember reading the speech of the honourable member for Berwick, who at the time had the carriage of the debate and made the point that it was likely to produce a lower level of accountability and was fraught with the potential for improper interference with the independence of the DPP.

Since then we have seen Nunawading, the Continental Airlines scandals, the disturbing features of issues surrounding Tennis Australia, the 1985 prosecution of Norm Gallagher, and the halting of the McArdle grand jury prosecution. Those have all illustrated that the system set up in 1982 by Labor is neither as independent nor as accountable as the previous system.

The second reason given to justify the creation of the Office of the Director of Public Prosecutions was that there would be a reduction in the backlog of trials coming before the County Court. I have examined page 16 of the 1983-84 annual report of the DPP and that has proved not to be the case.

The first Director of Public Prosecutions, Mr John Phillips, QC — now Mr Justice Phillips — achieved a short-term reduction in the backlog down to 488 cases in 1983-84. Since then the backlog has continued to grow despite extraordinary measures taken by the government to contain it.

Those measures have included a number of controversial initiatives, such as the encouragement of plea bargaining — offering sentence discounting for both pleas of guilty and early notification of pleas of guilty — and extending the criminal jurisdiction of the Magistrates Court to enable magistrates to deal summarily with a greater number of indictable offences.

Even very serious offences such as robbery, which previously carried a maximum penalty of ten years, are now heard in the Magistrates Court where the maximum penalty which can be imposed is two years. This has effectively decreased the seriousness of the crime of robbery in the eyes of criminals: they know that if they are caught they will receive a shorter sentence because a case can be heard in the Magistrates Court. In effect the maximum penalty has been reduced by five times and, when minimum sentences and remissions are taken into account, the result is a penalty of far less than two years.

In his 1989-90 report to Parliament the DPP stated that the backlog had climbed back to 755 cases. On 30 April this year the backlog stood at 685 cases. Criminal justice experts consider that a backlog of 400 cases is excessive. When will the Attorney-General take the problem seriously?

In May I drew attention to the blow-out in costs to the taxpayer of the operation of the Office of the Director of Public Prosecutions and called on the director to take steps to grapple with the problem. Since May I have scrutinised the office carefully and the results are disturbing. The structure of the office is top heavy.

Since 1983 the office has undergone an almost continuous process of reorganisation to provide career opportunities and to improve morale. In 1989 two new deputy solicitor positions were created immediately below the solicitor to the DPP. Despite that development, in May of this year the Attorney-General wanted the long-suffering public of Victoria to find an additional $200 000 a year for a Deputy Director of Public Prosecutions. The reasons advanced by the Attorney-General at the time were the desire of the new director to spend less time at his desk and more time in court, at legal conferences and in overseas study travel. None of those reasons holds water in the light of the top heavy executive staff structure which already exists in the office.

The present director came from a background of civil legal practice and I suspect that the idea of having a deputy director was conceived to find an experienced criminal lawyer to do the more arduous paperwork, leaving the director free to do the more glamorous court appearances, to attend conferences and to travel.

Debate interrupted.

DISTINGUISHED VISITORS

The SPEAKER — Order! With the indulgence of the House and the honourable member I wish to interrupt proceedings briefly to welcome to the gallery of the Legislative Assembly a delegation from Victoria's sister prefecture of Aichi in Japan.

The delegation is led by the Vice Governor of Prefectural Administration, Mr Takane Okuno, and the Vice Chairperson of the Prefectural Assembly, Mr Noboru Hidaka. The other members of the delegation who are members of the Prefectural Assembly include Mr Takahashi of the Liberal Democratic Party, Mr Sakakibara of the Democratic Socialist Party, Mr Yoshioka of the Social Democratic Party of Japan, and Mr Muto of the Komei Party.

They are accompanied by Mr Ando, the Director of the Secretariat of the Prefectural Assembly Office, and Mr Toyama, who is the Aichi representative at its Australian office in Sydney.

The Vice Governor is accompanied by Mr Takagi, the Director of the International Affairs Division, and Mr Sakashita, the supervisor of that division. Ms Catherine Taylor is the official interpreter.

On behalf of the Legislative Assembly may I offer a very sincere and warm welcome to the members of the delegation.

GRIEVANCES

Debate resumed.

Mr E. R. SMITH (Glen Waverley) — I wish to turn to the subject of travel by the Director of Public Prosecutions. The records show that despite not having a deputy director during his first eight months of practice in the criminal law the DPP has also been able to attend court and to travel interstate and overseas. At this moment the director is on an extensive world tour at the expense of taxpayers.

His itinerary includes Los Angeles, Seattle, Detroit, Boston, New York, Ottawa, Toronto, London, Rome and Hong Kong. One wonders what value the taxpayers will derive from the director's visits to locations in the USA and Canada, where the law and procedures are fundamentally different from those that apply in Victoria. I have also been informed that on his world tour the director will again meet some of the lawyers he has already met at law conferences in Australia.

I have estimated that the direct and incidental costs of the director's world tour are costing the taxpayer approximately $40 000. That estimate includes the cost of the acting director, Mr Morrissey, QC, abandoning the trial he had been working on for several months to fill the director's shoes for the period he is overseas. I do not begrudge taxpayers' money being spent on essential overseas trips, but the director's costly tour is unjustified, particularly when the State is near bankruptcy.

At a time of economic restraint when every department is being asked to restrain its costs, the Office of the Director of Public Prosecutions has demonstrated a lack of commitment to controlling its expenditure. The so-called corporate plan of the office is a glossy publication of 40 pages, with full pictures of smiling senior executives and lots of silly platitudes about the aims of the office.

The office has fewer than 150 employees and it is insensitive to the needs of the people of Victoria. The aims of the office are capable of being adequately stated in the director's annual report to Parliament. The corporate plan is a gross waste of public moneys and ought to be contrasted with the Victoria Police corporate plan, a nine-page document, yet there are 11 000 employees in the Police Force. The money for this waste is coming from the long-suffering taxpayers.

The briefing practices of the office have for years been inefficient and costly. The office has not attempted to restrain its expenditure. In the year 1989-90 its budget blew out by more than $6 million, almost double the estimated cost of briefing private barristers for that year.

I suggested to the director that his office should make better use of the State's criminal specialists, the salaried Prosecutors for the Queen. I made that suggestion because I found that the director no longer employed Prosecutors for the Queen to conduct the bulk of murder trials in the Supreme Court.

I also discovered that the senior prosecutor, Mr James Morrissey, QC, in contrast to his predecessors, was appearing only on rare occasions in the Court of Criminal Appeal and was not giving the judges of that court the benefit of his extensive experience. This is a serious under-utilisation of an important State resource. By employing members of the bar the office is paying approximately $1000 to $1200 a day as opposed to $300 a day for the use of Prosecutors for the Queen.

I have been examining the running of the office closely since May this year. It is apparent that the senior prosecutor is still not being briefed to appear regularly in the Court of Criminal Appeal. I intend to find out why this occurs. Perhaps the Attorney-General will inform the House why the

State's most senior Crown prosecutor does not appear regularly before judges of the Court of Criminal Appeal.

Some indications of the expenditure priorities of the office can be seen by the director's recent refusal to seek the extradition of Costica Covaci from Germany to face charges of raping and imprisoning a 90-year-old Victorian woman. The office initially announced that the extradition would not be sought because of the inadequacy of the evidence and the cost.

However, in response to public outrage the director amended the reasons to inadequacy of evidence. As is usual with the office, my request for information under freedom of information was refused. However, I was informed that a presentment had been filed against Covaci in the County Court by a Prosecutor for the Queen. I was also informed that the director did not intend to enter a nolle prosequi against Covaci on the grounds of inadequate evidence, but that he would be arrested if he returned to Australia.

The limited information provided to me by the acting director suggested that Federal government requirements for extradition had been met. The Federal Attorney-General's Department required the likelihood of conviction if extradition were granted. That is the same test that Victorian Prosecutors for the Queen apply when signing presentments that place an accused person on trial.

In the absence of better reasons one suspects that the cost of extradition was the compelling factor in this denial of justice to an elderly victim and her family.

Another disturbing proposal is that prosecutors be paid bonuses in addition to their fixed salaries for work performed. Honourable members will be interested to know that the government has neglected the salaries of prosecutors for many years and they now receive $15 000 less than their counterparts in New South Wales. Victorian prosecutors are paid $80 000 a year, while their counterparts in New South Wales receive $95 000 a year. It is an extraordinary proposal. Will it be extended to judges and magistrates? It is a scandalous state of affairs and should be aired in the public domain.

The bonus proposal has sinister overtones. In 1982 during the debate regarding the creation of the Office of the Director of Public Prosecutions the government said it would not permit the independence of prosecutors to be compromised by the creation of the office. There could be no greater interference in the independence of prosecutors by attaching strings to their remuneration depending on their performance.

For instance, the Director of Public Prosecutions may say to a prosecutor who is about to offer a presentment to the court relating to some action of a member of the opposition that he should not do so because of the political difficulties it may create. The bonus system could affect the judgment of the prosecutor. If the government wants to raise the status of Prosecutors for the Queen it should increase their salaries.

Mr Bongiorno, in a letter to Prosecutors for the Queen prior to his trip overseas, states that he has not been able to make progress with the bureaucrats at this stage. The information I have received is that the prosecutors do not want to be compromised in this way.

The Attorney-General appears not to have given any thought to the special role played by Prosecutors for the Queen for more than 150 years and we need to ensure that public perceptions of quasi-judicial criminal justice decisions, affecting the liberty of all Victorians, are not made by bureaucrats but by independent barristers who practice before the courts and whose decisions are directly scrutinised by the courts. They have a special historical commitment to protect the civil rights of the citizens of Victoria.

The government should not get away with its bonus proposal for senior law officers. The government has got itself into such a muddle that there is a feeling that the criminal justice system has been completely undermined.

I call on the government to act on all these serious matters that I have raised for the attention of the Attorney-General because such damage is being done to the criminal justice system in Victoria through his lack of guidance and other directions he has given that when he has finished his term in office he will have caused as much damage in the criminal justice system as he caused in the State transport system.

There is a great moral need for this House to make known publicly the points I have made today about Mr Covaci and the fact that the money is there for a prosecutor to go overseas but when there is a need to bring a person back from overseas for trial on the

criminal offence of rape the money is not there. I find that extraordinary and it is something that in this day and age ought to be publicised and made known to the people of Victoria.

The SPEAKER — Order! The honourable member's time has expired. The time allowed for the grievance debate has also expired.

Question agreed to.

STATE TRUST CORPORATION OF VICTORIA (AMENDMENT) BILL

Returned from Council with message relating to amendments.

Ordered to be considered next day.

SAFETY IN CHAMBER

Mr COLEMAN (Syndal) — Mr Speaker, I raise a matter for your attention. To my knowledge for two days there has been a switch hanging under the table in the Chamber which has exposed wires. The Occupational Health and Safety Act states that the objects of the Act are to eliminate at the source risks to the health, safety and welfare of persons at work.

Mr Speaker, I leave it to you to draw your own conclusions about whether people are at work here, but the fact is that this switch is exposed and presents a risk to anyone who sits near it.

Section 31 (2) of the Act requires some action on the part of the employer to remove the hazard. I am sure there is some process available for the safety officer to come in and inspect this switch and determine whether it is appropriate for the House to continue sitting while anybody who is unaware of its presence runs the risk of electrocution.

I therefore seek your intervention and suggest that the House be adjourned for 5 minutes to allow the engineer to come in and remedy the situation so that the proceedings may continue free of any threat and so as to avert any future claim by someone who is actually electrocuted while sitting here.

The SPEAKER — Order! The honourable member evidently first raised the matter only a few minutes ago, and in the course of the sittings of the House it would be quite impossible for a member of staff to come into the Chamber to attend to the matter.

However, the manner in which the two honourable members are seated at the table suggests that they do not believe there is a particularly serious danger.

Honourable members interjecting.

The SPEAKER — I suggest that honourable members simply avoid possible contact with the exposed wiring and indicate that appropriate action will be taken following adjournment of the sitting. If honourable members seriously believe there is some risk to themselves, I suggest that one of the chairs be put immediately underneath the exposed wiring and that honourable members avoid that area to a rather greater extent than they are doing at the moment.

MELBOURNE WATER CORPORATION BILL

Introduction and first reading

Mr CRABB (Minister for Conservation and Environment) introduced a Bill relating to the Melbourne Water Corporation, to amend the Melbourne and Metropolitan Board of Works Act 1958 and for other purposes.

Read first time.

Mr CRABB (Minister for Conservation and Environment) — By leave, I move:

> That the Bill be printed and, by leave, the second reading be made an Order of the Day for later this day.

Mr Coleman — Leave is refused.

Ordered to be printed and second reading to be made Order of the Day for next day.

ROYAL BOTANIC GARDENS BILL

Second reading

Mr CRABB (Minister for Conservation and Environment) — I move:

> That this Bill be now read a second time.

The main purposes of this Bill are to establish a statutory board and director for the Royal Botanic Gardens, Melbourne, and to provide a legislative framework for the sound management of our Botanic Gardens and Herbarium in the 1990s and beyond.

Melbourne is very fortunate to have one of the world's finest landscaped botanic gardens right on its doorstep, only a few kilometres from the GPO. This is a great tribute to the foresight of Victoria's first Lieutenant-Governor, Charles La Trobe.

The gardens were established in 1846 on a site by the Yarra River selected in 1845 by La Trobe when he was Superintendent of the Port Phillip District. Dr Ferdinand Mueller (later Baron Sir Ferdinand von Mueller) was Victoria's first Government Botanist in 1853, and in 1857 he was also appointed Director of the Botanic Gardens. After public criticism of Mueller's scientific design of the gardens, a public inquiry was held, and in 1873 Mueller was replaced as director by William Guilfoyle, who is responsible for the beautiful landscape design we know today.

Almost 100 years later, another public inquiry into the gardens was conducted, this time by a Select Committee of the Legislative Council which reported to Parliament in 1969. One of the main recommendations of the inquiry's report was that a Bill be introduced to give the gardens and herbarium legislative protection. In that sense, one could say that this Bill is 22 years overdue!

The committee also concluded:

> The Royal Botanic Gardens are a unique botanic, scenic and recreational attraction unsurpassed in the western world ... a haven of rest and tranquillity for all who wish to go there to see the glories of nature in her most extravagant moods.

An honourable member interjected.

Mr CRABB — That is very colourful, and it comes from a Parliamentary committee! I think Parliamentary committees were different in 1969; they were less prosaic.

The gardens are now approaching their sesquicentenary in 1996. While there have been some variations in the style of direction of the gardens, the fundamental reporting relationships have not changed in almost 150 years. Melbourne is now the only State capital with its botanic gardens still managed directly by a government department. In Sydney, Adelaide, Perth and Hobart the botanic gardens are managed by statutory boards or trusts.

A recent survey showed that almost 1 million people visit the gardens each year, of whom 17.55 per cent are from interstate and overseas. It is therefore an important tourist destination as well as a haven of peace and tranquillity for Melburnians.

The gardens are facing some serious challenges, due largely to their age. Many of the plantings established by William Guilfoyle at the end of the last century are now over-mature, and a program of careful rejuvenation is required. The services — paths, watering system and drainage — are also failing and require upgrading.

The program of works required to rejuvenate and improve the gardens will be difficult and expensive and now is a good time to review the management arrangements for the gardens and herbarium.

I should also mention the National Herbarium of Victoria. This is the State authority on the classification and nomenclature of plants. Its work is essential and basic to agriculture, horticulture, forestry, medicine and nature conservation, and to anyone who has to work with plants.

The herbarium contains an internationally significant collection of dried plant specimens and a botanical library, the foundations of which were laid by von Mueller. The scientific staff of the herbarium carry out research into classification and naming of particular groups within the Australian flora, in accordance with international standards and procedures.

The gardens and herbarium together form a unique scientific, cultural and recreational institution, with links to other gardens and herbariums in Australia and overseas.

Late last year I asked the department to conduct a review of options for the future management of the gardens and the herbarium and to prepare a discussion paper for public comment. The three options investigated were a statutory board, a committee of management under the Crown Land (Reserves) Act 1978 and the current situation, that is, direct management by the Department of Conservation and Environment.

The review was completed in May of this year, and the discussion paper was released for public comment for two months, from 12 June to 16 August. The review found that the main advantages of the statutory board option related to increased community involvement, scientific and commercial independence and better ability to attract private funding through donations, bequests and sponsorship. The committee of management

option is less attractive in these respects and not really appropriate for managing scientific institutions like the herbarium. In contrast, the only real advantage of the current situation is possibly easier coordination with other government programs.

Over 50 submissions were received, including one from virtually every organisation with a known interest in the future of the gardens and the herbarium. Not one submission opposed the statutory board option, and some useful suggestions were made, many of which have been incorporated into this Bill.

Turning now to the Bill itself: as I indicated earlier, the Bill establishes a body corporate, to be known as the Royal Botanic Gardens Board.

The board will consist of seven members, with a variety of expertise relevant to the board's different functions and responsibilities for science, conservation, education, recreation and tourism. The members are to be appointed by the Governor in Council on the recommendation of the Minister and will include a chairperson and a deputy chairperson, also appointed by the Governor in Council. The government will seek to appoint persons of the highest calibre to the board, in keeping with the high international status of the gardens and herbarium.

The provisions of the Bill will give the board powers to manage and control the Royal Botanic Gardens, Melbourne and an area of land in Cranbourne known as the Cranbourne Botanic Gardens. The Bill also provides for the management of other land by the board. The board will have powers to raise and spend money, to manage land, to carry out works, and to employ staff. I expect that the board will be able to attract additional resources to the gardens from the private sector. However, the government accepts that it will continue to provide funding for the gardens. In fact the government has agreed to maintain the level of funding to the gardens, in real terms, for three years from 1992-93.

The Bill creates for the first time a statutory position of Director, Royal Botanic Gardens. Previous directors have been appointed under the Public Service Act 1974 and its antecedents. The Bill defines the functions, powers and responsibilities of both the board and the director. The staff of the Royal Botanic Gardens, Melbourne, the herbarium and the Cranbourne Botanic Gardens will be amalgamated into one organisation, under the director and the board.

The Bill also provides for the board to appoint a chief botanist, who will be responsible to the director for the curatorship and scientific use of the State botanical collection and will also fulfil a statutory function pursuant to the Drugs, Poisons and Controlled Substances Act 1981.

Victoria's unique botanical heritage of plant specimens, books, maps and other documents and objects currently kept at the National Herbarium will comprise the State botanical collection. The Bill makes provision for the conservation and enhancement of the State botanical collection and its use for scientific research and reference.

The board will be accountable to government via the Minister, and will be required annually to review and submit to the Minister a corporate plan setting down the board's strategies and targets. It will also be accountable to the Parliament in the usual ways, including an annual report.

I commend the Bill to the House.

Debate adjourned on motion of Mr HONEYWOOD (Warrandyte).

Debate adjourned until Thursday, 14 November.

MELBOURNE LANDS AND MARKET SITES BILL

Second reading

Mr CRABB (Minister for Conservation and Environment) — I move:

That this Bill be now read a second time.

The Melbourne Market and Park Lands Acts deal with a number of parcels of land within the City of Melbourne. By an arrangement made and reflected in legislation in 1933 the City of Melbourne has been able to derive rent from two sites — the sites of the former eastern and western markets — and has been obliged to maintain certain parks and gardens, including Royal Park, the Domain, Treasury Gardens and the area around the building occupied by the Royal Australasian College of Surgeons, an obligation that still continues.

This Bill deals with only three of those sites, the sites of the two former markets and the area which for convenience I shall call the College of Surgeons site.

The market sites were granted to the corporation of the then Town of Melbourne in 1846 for market purposes, but for some time before 1933 they were used by the city for a variety of other income-generating activities. Legislation at that time allowed the city to lease the land for municipal purposes, and further legislation in 1954 extended both the meaning of "municipal purposes" and the period for which the leases could run.

The City of Melbourne subsequently entered into leases of each of the market sites for 99 years, the western market site now being leased to the National Mutual Life Association and the eastern market site now being leased to the owners of the Southern Cross Hotel.

Since the time they were entered into, the leases have ceased to yield to the City of Melbourne the income needed to justify the arrangement. In particular, the incidence of land tax has caused the city to revise its assessment of the wisdom in financial terms of retaining the sites.

The Bill will allow the permanent reservations on those sites to be lifted and the sites to be sold to the present occupants. In the case of the western market site negotiations for sale are near to completion. Only preliminary discussions have occurred in relation to the eastern market site.

Attention is drawn to the inclusion of a sunset clause in the Bill. The effect is that no permanent reservation will be revoked until the date of settlement, and that sale will not be possible after 1 December 1994.

To protect the interests of the City of Melbourne an agreement will be entered into between the City of Melbourne and the Minister for Finance. This agreement will deal with such matters as the active involvement of the city in negotiations prior to sale and in the terms of final contracts, the obligation of the city to give up the land free of taxes and encumbrances, and the basis on which proceeds will be distributed.

The College of Surgeons site was used for a school until the establishment of Melbourne High School and MacRobertson Girls High School. Following the 1933 legislation the area used for buildings and access was leased to the Royal Australasian College of Surgeons, but the remainder of the site was laid out by the State of Victoria as gardens and then permanently reserved and granted to the City of Melbourne as the committee of management to maintain.

The Royal Australasian College of Surgeons is now interested in entering into negotiations to purchase the area it occupies, but to make this feasible it would need also to be able to purchase part of the area permanently reserved and be assured of the basis on which the area between its buildings and the boundaries of the site were to be controlled and managed. The present proposal is that the college purchase the whole site, and lease-back the gardens to the city for 99 years at a peppercorn rent.

While a number of arrangements are possible, the government will ensure that the integrity of the present gardens and of the site as a whole is not threatened or affected.

The agreement between the City of Melbourne and the Minister for Finance will ensure that the city endorses the approach finally adopted for the garden area of the site.

I make the following statement under section 85(5) of the Constitution Act 1975 of the reasons why clause 10 of the Bill alters or varies that section.

Clause 18 provides that it is intended to alter or vary section 85 of the Constitution Act 1975 to the extent necessary to prevent the Supreme Court from awarding compensation in respect of anything done under or arising out of the Act.

Clause 17 provides that no compensation is payable in respect of anything done under or arising out of the Act.

The Bill revokes the reservations of certain Crown land and the reservations and Crown grants of certain other land and extinguishes all interests and rights over that land. The reason for preventing the Supreme Court from awarding compensation in this case is as follows: to enable the Crown to change the use or status of reserved land, it is necessary to ensure that the land is no longer subject to any interests or rights arising out of the former use. The existence of these interests and rights, and claims for compensation based on them or on the former use of the land, could delay or prevent a change in the use or status of the land that is for the benefit of the community as a whole.

The Bill deals with three sites, all of which have long been developed. The two market sites are leased until the second half of the next century, while the

character of the development of the College of Surgeons site has been established and will not change. The Bill will allow the government, the City of Melbourne and the present occupiers to negotiate and implement arrangements for the control and management of all three sites which are better suited to the present times.

I commend the Bill to the House.

Debate adjourned on motion of Mr HONEYWOOD (Warrandyte).

Debate adjourned until Thursday, 14 November.

TEACHING SERVICE (FURTHER AMENDMENT) BILL

Second reading

Mr CRABB (Minister for Conservation and Environment) — I move:

That this Bill be now read a second time.

This Bill has two purposes: firstly, to remove the requirement placed upon the Department of School Education to compile and publish lists of persons eligible to be appointed as a principal, or a deputy or vice-principal, in a government school; and, secondly, to remove the requirement to fix the salary and allowances of the chairperson and members of the Teaching Service Appeals Board by regulation.

The need for a list of persons eligible for appointment to a principal position in our schools no longer exists. The majority of school communities in Victoria are only too happy to accept the responsibility of the involvement in the appointment of a person to such a position that the local selection process provides.

In doing so the local community adds its specific criteria to the Statewide criteria applicable to the position and is able to choose from any candidate who is able to meet those criteria. A centralised list that can have little relationship to the specific needs of the local school is a far less effective instrument for the selection of people to principal positions in our schools.

Candidates for the position of principal, or deputy or vice-principal, in a government school will not be disadvantaged in any way by the repeal of this provision. In practice the only criteria to be met by a candidate will be those published at the time of the vacancy of the position.

The salary and allowances applicable for the chairperson and members of the Teaching Service Appeals Board are determined through the Remuneration Review Committee along with those of statutory office holders throughout the government service. When Cabinet approves of a recommendation from the committee an order is placed before the Governor in Council for approval. For the majority for statutory office holders adjustments to salary and allowances flow from this process.

For the chairperson and members of the Teaching Service Appeals Board, however, the Teaching Service Act requires that a further step, in the form of regulations, be completed before the adjustments apply. The amendment before the House is to remove the requirement to make regulations for this salary and allowance adjustment. This additional bureaucratic process involves resources in the Department of School Education as well as in the office of the Chief Parliamentary Counsel and of the Law Printer without any appreciable impact on the eventual outcome.

Both of the amendments will reduce the bureaucratic processes within the Department of School Education without any detriment to either teachers seeking promotion to a principal position or to members of the Teaching Service Appeals Board.

I commend the Bill to the House.

Debate adjourned on motion of Mr HAYWARD (Prahran).

Debate adjourned until Thursday, 14 November.

RESIDENTIAL TENANCIES (FUND) BILL

Second reading

Mr McCUTCHEON (Minister for Planning and Housing) — I move:

That this Bill be now read a second time.

Honourable members will be aware that the residential tenancies legislation requires landlords and estate agents to deposit moneys taken for security deposits in a trust account in approved

financial institutions. The interest from these trust accounts is paid into the Residential Tenancies Fund.

Money that accrues in the fund can only be expended in accordance with the requirements set out in the Residential Tenancies Act. In general terms this is to administer the residential tenancies legislation, which includes funding the operation of the Residential Tenancies Tribunal and providing financial assistance to various organisations for the provision of information, education and research programs. The Act also provides for payment to landlords on the order of the tribunal for repairs to rented premises, and for loans to tenants in situations of financial hardship to meet the bond and the first month's rent.

Because the annual interest credited to the fund is greater than the annual expenditure allowed under the legislation, there is currently an accumulated surplus of nearly $30 million.

Honourable members will also be aware that there has been comment in the media lately about the limited way in which the fund can presently be used and proposals for how it could be better used. In this regard I quote one of the honourable members for South Eastern Province, the Honourable Ken Smith, who was reported on page 27 of the *Frankston Independent* of 18 June 1991 as saying:

> At present, the Ministry of Consumer Affairs holds accumulated funds of over $25 million which, through amendment to legislation, could be used in housing projects and other services.

The Honourable Ken Smith also intimated in the Rental Bond Board Bill debate that the surplus in the fund should be used for low-cost housing. This point was also taken up by the honourable member for Warrnambool, Mr McGrath, in the Legislative Assembly.

The report of the Review of Residential Tenancies Functions and Services in 1989, chaired by the Honourable John Harrowfield, noted the surplus which had been accumulating in the fund. This review committee considered that future expenditure on programs should more closely match the income figure. The committee also noted options for use of the fund.

This Bill amends the Residential Tenancies Act to allow expenditure from the fund for housing projects and support services for tenants other than tenants in housing owned by the Director of Housing.

Guidelines will be prepared for the expenditure of the surplus in the fund and it is intended that such expenditure could include:

- rental housing repair and renovation scheme for asset rich/income poor landlords;
- expanded community-based non-profit housing projects, such as common equity rental cooperatives and shared equity housing schemes;
- community-managed intermediate housing projects for homeless youth and families;
- the possible purchase of selected prescribed premises which house protected tenants;
- an expanded and refocused bond and relocation scheme; and
- an expanded Housing Establishment Fund which would provide assistance with private rental market entry costs.

Various groups and the media have been suggesting that tenants should be paid interest on bond moneys. Although this would seem to be a desirable use of the surplus in the fund it would not be administratively viable under the current system with the many trust accounts held in various financial institutions throughout Victoria. It was one of the provisions in the Rental Bond Board Bill previously submitted to the Parliament.

This Bill allows the Minister for Consumer Affairs and the Minister for Planning and Housing to jointly fix the amount to be paid out of the fund in any year for housing projects and support services. This amount will be fixed only after the Ministers are satisfied that there will be sufficient money in the fund after all other payments which are required under section 51 have been provided for.

The Real Estate Institute of Victoria has expressed concern that the current $30 million surplus which has built up over the past ten years may be expended within the first year. The government gives an unequivocal assurance that this will not be allowed to occur. A management strategy will be employed so that, after expenditure of other commitments under the Act are satisfied, a maximum of 20 per cent of the accumulated surplus

will be available for use for housing projects and services as set out above.

The government will be engaging an accountant to monitor the fund on an annual basis to ensure that the fund will not be depleted beyond a level required to maintain the essential functions required under the Act.

The Bill also makes the Minister for Consumer Affairs, rather than the director, responsible for authorising expenditure from the fund.

This Bill is a simple amendment to the Residential Tenancies Act to allow the accumulated surplus in the fund to be used to provide housing and support services.

I commend the Bill to the House.

Debate adjourned on motion of Mr GUDE (Hawthorn).

Mr McCUTCHEON (Minister for Planning and Housing) — I move:

> That the debate be adjourned until Thursday, 7 November.

Additional time will be granted to the opposition, if required.

Mr GUDE (Hawthorn) — On the question of time, it is most unusual that the government would seek to introduce an important Bill like this and rush it through in one week. Given the assurance by the Minister, it is unlikely I will be able to comply with the one week time frame but I will do my very best.

Motion agreed to and debate adjourned until Thursday, 7 November.

DISALLOWANCE OF STATUTORY RULE

Message from Council relating to disallowance considered.

Mr JASPER (Murray Valley) — I move:

> That the Alpine Resorts (Cross Country Trail Fees) Regulations 1991 (SR No. 79/1991) be disallowed.

This statutory rule is a subject of the 22nd report on subordinate legislation of the Legal and Constitutional Committee, which dealt with two particular regulations, the Alpine Resorts (Cross Country Trail Fees) Regulations 1991 and the Alpine Resorts (Entry) (Amendment) Regulations 1991. The Regulations Review Committee assessed the two sets of regulations and information was sought from the Minister for Conservation and Environment because the committee had some concerns about the regulations and the power under which the regulations had been developed for increases in fees.

In dealing with the Alpine Resorts (Entry) (Amendment) Regulations 1991, the report indicated an increase in entry fees to the alpine resorts and there were variations in the increase in the fees from 8 per cent to 53 per cent. The Budget Papers provided for an increase of 6 per cent in the fees generally for this financial year but up to 15 per cent if the department was looking for full cost recovery, and in rounding up those fees they could go as high as 20 per cent.

One of the fees for entry into the alpine resorts showed an increase of 53 per cent, which was outside the guidelines set by the government and would exempt the department from producing a regulatory impact statement.

It was resolved by the committee that:

> The committee is unable to allow the failure to prepare a regulatory impact statement in connection with a fee increase of up to 53 per cent to pass without comment ...
>
> The committee wishes to place on record its strong concern that these regulations were made without the usual processes of public assessment and justification, and without consultation with affected individuals and groups.

The committee decided to accept the regulations on the basis that there was a variety of increases in fees for entry into the alpine resorts.

The other part of the report to Parliament, which related to the Alpine Resorts (Cross Country Trail Fees) Regulations 1991, was an area of concern to the committee and a major part of the report. It states:

> Alpine Resorts (Cross Country Trail Fees) Regulations 1991. With respect to the first listed statutory rule, the committee makes this report to the Parliament because the statutory rule imposes a fee without clear and express authority being conferred by the Alpine Resorts Act 1983, under which the rule was made. The committee therefore reports upon this rule pursuant to section 14(1)(b)(ii) of the Subordinate Legislation Act.

The committee sought information from the Minister and the Minister's response indicated his belief there was power under the Act to introduce the new fees. After consultation and seeking legal advice, and with advice from staff, the all-party subcommittee recommended to the full committee the disallowance.

The committee's report states:

> It is evident that only two subsections of section 42(1) of the Alpine Resorts Act expressly authorise the imposition of fees by regulations. These are sections 42(1)(i), regarding fees to be paid in connection with applications under the Alpine Resorts Act for the issue of leases, licences, permits and other authorities; and section 42(1)(m), which authorises the maximum charges to be made by any public authority for entry to an alpine resort to be prescribed by regulations.
>
> In the committee's view, neither of these provisions authorises the imposition of the trail fees by regulation. Clearly the fees do not come within the fees described by section 42(1)(i), as this subsection deals with fees for the planning functions of the Alpine Resorts Commission.

The committee felt it was unable to support the imposition of these fees and there was no power under the Act to provide for that.

In a further response the Minister said that he would be prepared to consider an amendment to the Alpine Resorts Act which would provide for the imposition of these fees. The difficulty that the committee had in response to the information provided by the Minister was that the amendments would not be introduced until the spring sessional period in 1992. This would have led to the fees being imposed through another winter period without the committee's express power to undertake the imposition of the fees. That is why the opposition has proceeded with the disallowance of the regulations as included in the report presented to Parliament. The committee had difficulty with these regulations under the Alpine Resorts Act 1983 and resolved that the disallowance of regulations should be made by both Houses of Parliament.

The Legislative Council was prepared to disallow the regulations within the prescribed twelve sitting days but the prescribed twelve days passed in the Legislative Assembly without discussion of the disallowance; that has precluded discussion of the regulations in this House and precluded the House from making a decision.

I have spoken on other occasions about the disallowance procedures by both Houses of Parliament, and we have the situation now where although one House has disallowed these regulations the other House has not discussed them; further, because the government has allowed the expiration of the required twelve days, we are not in a position now to discuss the regulations even with the support of the government.

Consideration must be given to this issue. I know the Standing Orders Committee is looking at changing Standing Orders to enable the regulations before the House today to be dealt with.

I seek a disallowance of the regulations and a response from the Minister.

Mr CRABB (Minister for Tourism) — I oppose the motion for a couple of reasons. Although I do not agree with the view that was taken by the Legal and Constitutional Committee, I have the highest respect for my colleagues on that committee and I informed the committee subsequent to its preparing the report that I shall introduce a Bill in the next session, presumably in March or April.

Mr Steggall — February?

Mr CRABB — Who knows? Anyhow, next year. That Bill will be to provide a specific head of power to make the fees that are being charged beyond doubt. As I understand it, no-one is objecting to the fees because the money is applied to the cross-country trails, which is the extent to which the Alpine Resorts Commission has alleged the power should apply.

I do not support the disallowance of the regulations now, nor would it make any difference if I did because the time in which the House has the capacity to disallow the regulations has passed. However, I shall introduce a Bill to provide a specific head of power in the next session of Parliament.

The SPEAKER — Order! Is leave granted for the honourable member for Murray Valley?

Mr ROPER (Treasurer) — Leave is refused.

Mr COLEMAN (Syndal) — On the question, clearly the Minister has said that the action of the Alpine Resorts Commission was taken without a head of power being available.

Mr Roper — That is not what the Minister said.

Mr COLEMAN — I understood the Minister to say there was no head of power to enable the Alpine Resorts Commission to charge these trail fees. On that basis he is prepared to introduce a measure into the House to facilitate that. There is no doubt in my mind what the Minister said, and it will be recorded in *Hansard*.

The imposition of trail fees was introduced in the current skiing season and it resulted in part because of a specially constructed trail at Mount Hotham to facilitate trail skiing to the Dinner Plains resort. The Alpine Resorts Commission bore the cost of the construction of that trail and that is clearly another source of income for the commission.

Mr Phillip Bentley has been appointed the chief executive officer of the commission. Because of constraints on recurrent funding for the commission, it has sought to find an alternative source of income. Previously fees for skiing applied to downhill skiing where a lift operation was provided by either the commission or ski lift companies and those fees were used to generate the income for the operation of those lifts.

With cross-country skiing there are no mechanical requirements involved and people have utilised the cross-country skiing facility as part of the enjoyment of their snow sport activities. The only cost was the clearing of the trails. This season tickets were required by skiers to access ski trails.

Clearly the commission has collected money and the Parliamentary Legal and Constitutional Committee has sought to resolve the issue of the fees already having been paid by skiers. That the Minister is prepared to introduce a measure to give the commission a head of power for the collection of these fees is contrary to the spirit of the Alpine Resorts Act. That is a serious position.

I can understand the dilemma of the Legal and Constitutional Committee when it came to deal with this matter because it would have been aware of the fees already being charged without the head of power being available to the commission.

Both Houses are required to pass this disallowance. It is a matter of note that the Minister, although recognising the problem, is not prepared to concur with the recommendation of the other House for disallowance. On that basis the Minister should reconsider his position.

House divided on motion:

Ayes, 39

Austin, Mr	McGrath, Mr J. F.
Bildstien, Mr (*Teller*)	McNamara, Mr
Brown, Mr	Maclellan, Mr
Clark, Mr	Maughan, Mr
Coleman, Mr	Napthine, Dr (*Teller*)
Cooper, Mr	Perrin, Mr
Delzoppo, Mr	Perton, Mr
Dickinson, Mr	Pescott, Mr
Elder, Mr	Plowman, Mr
Gude, Mr	Reynolds, Mr
Harrowfield, Mr	Richardson, Mr
Hayward, Mr	Smith, Mr E. R.
Heffernan, Mr	Smith, Mr I. W.
Jasper, Mr	Steggall, Mr
John, Mr	Tanner, Mr
Kennett, Mr	Wade, Mrs
Kilgour, Mr	Wallace, Mr
Lea, Mr	Weideman, Mr
Leigh, Mr	Wells, Dr
Lieberman, Mr	

Noes, 45

Andrianopoulos, Mr	McDonald, Mr
Baker, Mr	Mathews, Mr
Barker, Mrs	Micallef, Mr
Batchelor, Mr	Norris, Mr
Cain, Mr	Pope, Mr
Cole, Mr	Ray, Mrs
Crabb, Mr	Roper, Mr
Cunningham, Mr	Rowe, Mr
Dollis, Mr	Sandon, Mr
Ernst, Mr	Seitz, Mr
Fordham, Mr	Sercombe, Mr
Garbutt, Mrs (*Teller*)	Setches, Mrs
Gavin, Mr	Sheehan, Mr A. J.
Hamilton, Mr	Sheehan, Mr F. P.
Harrowfield, Mr	Shell, Mr
Hill, Mrs	Simmonds, Mr
Hirsh, Mrs	Spyker, Mr
Jolly, Mr	Thomson, Mr (*Teller*)
Kennan, Mr	Trezise, Mr
Kennedy, Mr	Vaughan, Dr
Kirner, Ms	Walsh, Mr
Leighton, Mr	Wilson, Mrs
McCutcheon, Mr	

Motion negatived.

Ordered to be returned to Council with message intimating decision of House.

The SPEAKER — Order! I direct to the attention of the House a report from the Standing Orders Committee, which was adopted unanimously and which makes a recommendation that a provision should be included in the Sessional Orders and, subsequently, in the Standing Orders, that recommendations from the Subordinate Legislation Subcommittee of the Legal and Constitutional Committee for disallowance of regulations should take precedence after a specified period.

ADULT, COMMUNITY AND FURTHER EDUCATION BILL (No. 2)

Returned from Council with message relating to amendments.

Ordered to be considered next day.

CO-OPERATION (CREDIT CO-OPERATIVES) BILL

Second reading

Motion of Mr KENNAN (Attorney-General) (last debated on 30 October) agreed to.

Read second time.

Committed.

Committee

Clauses 1 and 2 agreed to.

Clause 3

Mr KENNAN (Attorney-General) — I move:

1. Clause 3, page 2, line 12, omit "and 25" and insert ", 25 and 29A".

This amends proposed new section 22(4) of the Co-operation Act and requires the Credit Co-operatives Reserve Board to consult with the Credit Co-operatives Advisory Committee in respect of the administration levy.

Mrs WADE (Kew) — This is the first of a number of amendments brought about by reason of the Attorney-General deciding to insert provisions relating to the administration levy and fund into the Bill. In the second-reading debate I mentioned that these provisions were omitted from the Bill when the Attorney-General apparently decided he was not in favour of long Bills and wanted a short one. They are now being reinserted.

The coalition parties do not oppose these amendments. They are consistent with the provisions in the Building Societies (Prudential Standards) Bill and the Friendly Societies Bill. However, we may ask for more information on some of these amendments and we will reserve our position on them until such time as we have received the information.

Amendment agreed to.

Mr KENNAN (Attorney-General) — I move:

2. Clause 3, page 4, line 24, omit "fund" and insert "Reserve Board Administration Fund or the Credit Co-operatives Reserve Fund".
3. Clause 3, page 4, line 30, after "must" insert"not".
4. Clause 3, page 5, line 14, after this line insert —

   "(e) In sub-section (15) for "fund" (wherever occurring) **substitute** "Reserve Board Administration Fund and the Credit Co-operatives Reserve Fund";".
5. Clause 3, page 5, line 25, omit "Fund" and insert "Reserve Board Administration Fund and the Credit Co-operatives Reserve Fund".
6. Clause 3, page 5, line 29, omit "fund" and insert "Reserve Board Administration Fund and the Credit Co-operatives Reserve Fund".

Amendment No. 2 amends proposed section 22(14C) of the Co-operation Act and requires the Credit Co-operatives Reserve Board to delegate its powers to administer the Reserve Board Administration Fund and the Credit Co-operatives Reserve Fund to a person approved by the Minister.

Amendment No. 3 corrects a drafting error and provides that the Reserve Board may not delegate any power or function that the Minister has directed must not be delegated. The word "not" was unintentionally omitted.

Amendment No. 4 amends section 22(15) of the Co-operation Act 1981 and provides that the annual report of the Reserve Board must set out information in respect of the Reserve Board Administration Fund and the Credit Co-operatives Reserve Fund.

Amendment No. 5 provides that the accounts of both the Reserve Board Administration Fund and the Credit Co-operatives Reserve Fund are to be audited by the Auditor-General.

Amendment No. 6 is complementary to amendment No. 5. It clarifies that the powers of the

Auditor-General apply to the accounts of both the Reserve Board Administration Fund and the Credit Co-operatives Reserve Fund.

Mrs WADE (Kew) — Amendment No. 2 provides for the Credit Co-operatives Reserve Board to delegate powers to the Reserve Board Administration Fund and the Credit Co-operatives Reserve Fund by a person approved by the Minister. My recollection is that the Building Societies (Prudential Standards) Bill has a similar provision. In that case the person approved to administer the Reserve Board Administration Fund had to be approved by the Treasurer. Presumably that was on the basis that the Treasurer or his advisers had the expertise to approve someone to carry out this very important function.

Given that both Bills are under the administration of the Attorney-General, I ask why there is a difference in the provision between this legislation and the Building Societies (Prudential Standards) Bill. No doubt the Attorney-General has now received the information he requires and will be able to answer the question.

Mr KENNAN (Attorney-General) — It is not a matter of great significance to the government whether this has to be administered by the Attorney-General or the Treasurer. If the opposition has a strong view one way or the other we are happy to consider it.

Mrs WADE (Kew) — I was suggesting there must have been a deliberate decision to insert the word "Minister" in the Bill just as there was, presumably, a deliberate decision to insert the word "Treasurer" in the Building Societies (Prudential Standards) Bill. I was not expressing a view on the part of the coalition but asking the reason.

The Attorney-General says Amendment No. 3 corrects a typographical error. The Bill provides that the Credit Co-operatives Reserve Board may not delegate any power or function the Minister has directed must be delegated. The amendment is to insert the word "not" so the provision will read "which the Minister by direction in writing to the Reserve Board has directed must not be delegated". This looks like sabotage on the part of the Attorney-General and I ask what action he will take as a result of this error.

Mr KENNAN (Attorney-General) — I note, and other people will note, the allegation of the honourable member for Kew. I do not think it is deliberate sabotage.

Mr CLARK (Balwyn) — I express my concern that the Attorney-General has not offered a meaningful answer to the substantive point raised by the honourable member for Kew as to the difference between this Bill and the previous Bill. It is hardly an obscure drafting point that one could forgive him for not having an explanation for. It is a substantive difference. I should have thought that Ministerial responsibilities are given careful consideration and that there was a policy decision made on this point; therefore, I should have expected the Attorney-General to have an explanation for the difference and to be prepared to inform the Committee accordingly.

Mr KENNAN (Attorney-General) — As I said, it is not a matter that the government places great store on. If the opposition has a view about it and would prefer it to be one or the other, we are happy to listen.

Amendments agreed to.

Mr KENNAN (Attorney-General) — I move:

7. Clause 3, page 6, line 36, after this line insert —

"(2) After section 29 of the **Co-operation Act** 1981 **insert** —

"29A. **Administration levy**

(1) The Reserve Board may determine that an amount is to be paid by each credit society, foreign credit society, exempt credit society, association of credit societies or federation of credit societies as an administration levy to the Reserve Board.

(2) The administration levy may be determined by the Reserve Board to be —

(a) a fixed amount; or

(b) a specified percentage of an amount determined by the Reserve Board either by reference to the amounts of paid-up capital, reserves, obligations and debts of the credit society, foreign credit society, exempt credit society, association of credit societies or federation of credit societies or to any other factors relating to the funds or business of the credit society, foreign credit society, exempt credit society, association of the credit societies or

federation of credit societies as the Reserve Board determines as at a date specified by the Reserve Board; or

(c) both.

(3) The Reserve Board may determine —

(a) different rates of levies for different classes of credit societies, foreign credit societies, exempt credit societies, associations of credit societies and federations of credit societies; or

(b) that a credit society, a foreign credit society, an exempt credit society, an association of credit societies or a federation of credit societies or a class of credit society, foreign credit society, exempt credit society, association of credit societies or federation of credit societies is exempt from payment of the levy.

(4) The Reserve Board may require the administration levy to be paid in one amount or by instalments which may include an amount for interest at a rate fixed by the Reserve Board.

(5) The administration levy must be paid by the credit society, foreign credit society, exempt credit society, association of credit societies or federation of credit societies within 30 days of being notified by the Reserve Board by notice in writing of the amount that is payable.

(6) If a credit society, a foreign credit society, an exempt credit society, an association of credit societies or a federation of credit societies is in default in payment of the administration levy —

(a) interest accrues on the amount outstanding from the date of default at the rate specified by the Reserve Board; and

(b) the Reserve Board may recover any amount outstanding together with interest accrued as a debt in any court of competent jurisdiction.

(7) The Reserve Board may on the application of a credit society, a foreign credit society, an exempt credit society, an association of credit societies or a federation of credit societies vary —

(a) the amount of levy payable by the credit society, foreign credit society, exempt credit society, association of credit societies or federation of credit societies; or

(b) the period within which the levy is to be paid.

(8) The amount paid by a credit society, a foreign credit society, an exempt credit society, an association of credit societies or a federation of credit societies as an administration levy is to be treated as an expense in the accounts of the credit society, foreign credit society, exempt credit society, association of credit societies or federation of credit societies.

29B. **Reserve Board Administration Fund**

(1) There is established a Fund called the Reserve Board Administration Fund.

(2) The Reserve Board must pay into the Reserve Board Administration Fund —

(a) all amounts received as administration levy; and

(b) any income from the investment of any money credited to the Reserve Board Administration Fund and the proceeds of the sale of any investment.

(3) The Reserve Board must pay out of the Reserve Board Administration Fund —

(a) any payment for or towards the costs and expenses of performing its functions and exercising its powers under this Act other than in the administration of the Credit Co-operatives Reserve Fund; and

(b) costs incurred in administering the Reserve Board Administration Fund.

(4) The Reserve Board may invest any money in the Reserve Board Administration Fund in any manner which may be approved by the Treasurer for the purposes of this section.

29C. **Budget**

(1) The Reserve Board must on or before 1 May each year submit to the Committee and to the Minister for his or her approval a budget in relation to the operation of the Reserve Board Administration Fund for the next financial year.

(2) The budget must be in a form and contain the matters required by the Minister.

(3) After consulting with the Committee, the Minister may approve the budget or approve the budget subject to any amendment that the Minister requires.".

This amendment inserts proposed sections 29A, 29B and 29C into the Co-operation Act 1981. Section 29A sets up an administration levy. This empowers the Reserve Board to levy societies which it supervises to fund its own operations. Section 29B sets up a Reserve Board Administration Fund to ensure proper accountability in relation to the moneys levied from societies. The purpose of the new levy is to ensure that the new independent Reserve Board is able to access sufficient resources to fund its increased activities and responsibilities under the Act.

Section 29C provides that the Reserve Board must submit a budget to the advisory committee and to the Minister for approval prior to each financial year. This is consistent with the obligations under the other Acts.

Amendment agreed to; amended clause agreed to; clause 4 agreed to.

Clause 5

Mr KENNAN (Attorney-General) — I move:

8. Clause 5, page 10, lines 10 and 11 omit "are the membership rules of the continuing" and insert "become the membership rule of the merged".

This corrects a drafting error in proposed section 84C(3)(j). It clarifies the merger provisions of the Co-operation Act and ensures that merging credit societies are able to comply with the membership bond rule contained in the legislation.

Mrs WADE (Kew) — Perhaps the Attorney-General could explain the effect of this amendment. The proposed paragraph of the principal Act was intended to read:

> Under the provisions in the Bill subject to the approval of the Reserve Board and any modifications the Reserve Board may require.

The membership rules of the credit societies involved in a merger are the membership rules of the continuing credit society. Presumably, that means that if one society was merged into the other the rules would be the rules of the credit society union into which the other credit union was merged. My understanding is that credit unions had some difficulty with that and felt there should be some provision for the rules of both credit societies to be reflected in the rules that finally prevailed.

The amendment provides that the rules will be the rules of both credit societies. The Attorney-General explained it by saying that the amendment clarifies the merger provisions and ensures emerging credit societies are able to comply with membership rules and bond rules contained in the legislation. I am not sure what that means.

I understand the amendment to require that the membership rules of both societies be complied with. It may be possible that the rules are incompatible. A further explanation is required as to exactly what will happen when two credit societies with incompatible rules merge.

Mr KENNAN (Attorney-General) — The word "merged" covers cases of a continuing merger or a new entity as a result of a merger. It was thought best to describe them as the rules of the merged society rather than the continuing society.

Mrs WADE (Kew) — I do not follow that explanation. I asked the Attorney-General what happens when two credit societies with incompatible rules merge. What rules are to be followed in such a case?

Mr KENNAN (Attorney-General) — It will be the rules of the society as merged.

Mrs Wade — Then they will be new rules.

Mr KENNAN — It depends on the terms of the merger.

Amendment agreed to; amended clause agreed to.

Clause 6

Mr KENNAN (Attorney-General) — I move:

9. Clause 6, page 10, line 35, after "society," insert "a foreign credit society, an exempt credit society,".

This amends proposed section 5B of the Co-operation Act 1981, which transfers the functions of the registrar to the Credit Co-operatives Reserve Board by providing that a reference to the registrar is to be construed as a reference to the reserve board. The amendment clarifies that the functions transferred extend to functions relating to foreign credit societies and exempt credit societies.

Amendment agreed to; amended clause agreed to.

Clause 7

Mr KENNAN (Attorney-General) — I move:

10. Clause 7, page 11, line 13, after ""19," "insert" and after "25," **insert** "29A,"".

The amendment provides that a credit society may become subject to direction by the Credit Co-operatives Reserve Board if it fails to comply with the administration levy provisions. It is a result of the insertion of the administration levy and fund provisions.

Mrs WADE (Kew) — I raised this issue during the second-reading debate when I referred to submissions of the Law Institute of Victoria. It believes a credit society should not become subject to the direction of the Credit Co-operatives Reserve Board if it fails to comply with a minor requirement. I ask the Attorney-General whether he has taken the institute's submissions into account and whether he intends to make any changes as a result.

Mr KENNAN (Attorney-General) — They have been taken into account. The government believes it is appropriate that the Bill provide for a credit society to be placed under direction if it fails to comply with the administration levy provisions. That is important for the protection of the members of credit societies.

Amendment agreed to; amended clause agreed to.

Long title

Mr KENNAN (Attorney-General) — I move:

11. In the Long Title omit "1991" and insert "1981".

The amendment corrects a typographical error. I do not believe it was sabotage.

Amendment agreed to; amended long title agreed to.

Reported to House with amendments, including amended long title.

Passed remaining stages.

ADJOURNMENT

Mr KENNAN (Attorney-General) — I move:

That the House, at its rising, adjourn until Tuesday, 12 November.

Motion agreed to.

Mr KENNAN (Attorney-General) — I move:

That the House do now adjourn.

Moomba parade

Mr PESCOTT (Bennettswood) — I direct to the attention of the Minister for the Arts, who happens to be in the Chamber, the disturbing news announced yesterday that the Moomba festival is no longer to include a procession through the city streets of Melbourne at the time it has been traditionally held for more than twenty years.

I ask the Minister for the Arts to consider what has happened to Moomba so the people of Melbourne who have enjoyed the parade over the years will be able to understand more clearly why the Moomba procession will no longer take place. It used to be said that "Moomba is Melbourne".

Mr Kennan — Will you be there?

Mr PESCOTT — I will not be there because it will be on the river.

Mr Kennan — It's on the roads.

Mr PESCOTT — According to the Minister it is going to be all over the place!

Next year Moomba will be more closely linked with the celebration of Labor Day than with the festival it has been for the past quarter of a century. The festival began with the purpose of making those people in Melbourne who wanted to celebrate spring — —

Mr KENNAN (Minister for the Arts) — On a point of order, Mr Speaker, I inform the honourable member for Bennettswood that he means the season of mists and mellow fruitfulness — it is autumn.

The SPEAKER — Order! There is no point of order.

Mr PESCOTT — I am pleased the Minister for the Arts is awake and that his subconscious brings forward certain words not normally used in this place.

I refer the Minister to the statements I made in 1987 when I told the community that the unions had moved to control the Moomba festival. At that time

publicity was given to documents I received under the Freedom of Information Act which showed that the procession would be ruined in future years because of a move by the government to use the grants normally given to Moomba as a means of ensuring that all floats would be made in union-controlled workshops. That was the beginning of the end for Moomba and was a clear indication that the union movement intended to take over the Moomba parade. As was predicted, businesses in the City of Melbourne that had supported the parade for so long were no longer as free to support it as they had been.

Members of the government formed the firm intention to change the direction of the Moomba festival so that it would be more a celebration of Labour Day — and all honourable members know when that is; it is clearly in autumn — than a festival for all the people of Melbourne. It is an absolute disgrace that the government should have been involved in that change. The government has lost all sorts of assets around the State, including State Bank Victoria. Now, through its interference — dating back to 1986-87 — in the control and operation of Moomba honourable members can see the final fruit — to use part of one of the words used by the Minister for the Arts — of the activities in that period. As I said, the grants given to Moomba were tied so that for the first time floats had to be made in union-dominated workshops. I ask the Minister for the Arts to explain to the House why there has been this change to the Moomba festival.

State Library of Victoria

Mr MAUGHAN (Rodney) — I raise for the attention of the Minister for the Arts the unavailability of material from the State Library of Victoria for year 12 students currently undertaking Victorian certificate of education courses. I have been contacted by a number of students who have experienced considerable difficulty in gaining access to the material needed for research projects.

I have a letter from Robyn Luke, a year 12 student attending Echuca High School. It is typical of letters I have received. She writes saying that she was deeply concerned regarding the letter she received from the State Library which declined her request for assistance in researching a legal studies option.

She goes on to explain how rural students are disadvantaged. A student in the metropolitan area can go to the State Library and gain access to the books needed for research. However, the books needed are not available in rural areas. The Minister for the Arts needs to take note that the books needed for projects are not rotating around country areas.

Perhaps one solution might be to ensure that more of the reference books are available and that they are rotated around regional libraries so that students in country areas have at least an opportunity equal to their city counterparts for gaining access to the material they need.

Another solution might be for a researcher at the State Library to spend a given amount of time researching material for the benefit of country students. As I said, at the moment those students are denied access to important reference material.

I ask the Minister to consider the matter and see what can be done to provide reference material needed by students in country areas.

Apprenticeship training

Mr SERCOMBE (Niddrie) — I call on the Minister for Education and Training to take action on the alarming decline in the number of apprentices in the skilled trades area. Obviously during a recession apprentices and apprenticeships create considerable pressure for the operations of many businesses. However, it is equally true that as the economy develops, as it will in the near future, significant bottlenecks will appear in a number of areas of industry unless action is taken to facilitate the training of tradesmen and tradeswomen.

It seems to me that the government must pursue three courses of action fairly promptly. The first relates to what I understand to be a decision to wind down from June of next year the taxpayer subsidy for group apprenticeship schemes. In the western suburbs of Melbourne, of which my electorate forms part, successful group apprenticeship schemes are operating. Such schemes provide a positive way forward for apprentices and apprenticeship training, particularly in a recession. Given the context of the government moving to competency-based training — that is, more vigorous training in the industrial sector — group schemes have a level of attraction because individual firms may not be able to apply as much vigour to such training. It is inappropriate to wind back the support for group schemes as will happen, as I said, from the middle of next year.

Technical education rebates, or CRAFT, as they are known, also require that the Minister for Education

and Training bring pressure to bear on the Commonwealth. Technical education rebates were introduced in 1988 by the Commonwealth government. I understand they have not been indexed since that time; clearly their value has been eroded dramatically. Wide support would be attracted if the Minister pressed the Commonwealth to ensure that the level of rebate to employers is maintained in real terms.

The third matter on which the Minister for Education and Training needs to undertake discussions with the Commonwealth is the operation of the training guarantee scheme. Under that scheme employers with payrolls in excess of $200 000 must commit 1 per cent of their payroll to training. In the middle of next year that commitment will rise to 1.5 per cent.

I am concerned that the massive contribution to training represented by 1 per cent of those payrolls is not appropriately targeted. Considerable evidence exists of rorts in the system. I would not suggest for one moment that management and other skills of executives should not be significantly enhanced, but I find it a bit rich to hear of the money in the training guarantee scheme being used for such purposes as paying for cruises on the Hawkesbury River or stays at the Hilton Hotel and so on.

The significant and much-needed commitment to training must be more effectively targeted. I have no particular suggestion as to an administrative mechanism by which the training can be made more effective. However, as I have indicated, a clear need exists for the training to be targeted to the acquisition of skills enhancement, particularly at the trades level. If that is not done, when the economy emerges from the recession bottlenecks will have to be dealt with because inadequate attention has been given to ensuring the maintenance of appropriate levels of apprenticeship training.

Privacy of information on bondholders

Mr PERRIN (Bulleen) — The serious matter I raise is for the attention of the Treasurer. I am pleased to see the Minister for Sport and Recreation is at the table, because I am sure he will be interested in this matter.

I refer to the privacy of information given to the government by Pyramid Building Society bondholders who are now finding that that information is in the hands of private entrepreneurs.

I refer to a letter circulated to Victorian government security bondholders by Pivot Properties and Securities Ltd, of Ryrie Street, Geelong. There is only one possible way that that organisation could have got the information necessary to write to the bondholders, and that is from the government. Clearly the privacy of bondholders could have been breached by the release of names and addresses and perhaps other information, such as the number of bonds held, to a private party or agency.

I refer also to the first page of the letter from the Treasurer to Pyramid Building Society depositors, where he says:

> If your offer is accepted, you will be issued with Victorian Government Security Bonds ("Bonds") inscribed in your name on a register maintained by National Registries Pty Ltd.

If the National Registries Pty Ltd is to be given private and confidential information on behalf of Pyramid bondholders, then maybe that organisation needs to be investigated because either the information was leaked to them — that is, the names and addresses of the Victorian government bondholders — —

Mr Micallef — From whom?

Mr PERRIN — Obviously from your National Registries Pty Ltd, which is the agent of the government. There are three alternatives: either it has been leaked, deliberately disclosed, or maybe even sold.

I understand from the Auditor-General's report that there are 125 000 registered bondholders in Victoria about whom information could be disclosed to a private agency. I would not want to see that information sold to a private agency and I remind the Minister that in the *Herald-Sun* today the Federal Privacy Commissioner is talking about gaoling Federal bureaucrats who release private information.

I suggest that the private information, even to the extent of a name and address, is important and should not be disclosed if it has been committed to a government or to private agencies for money or any other purpose.

I ask the Minister as a matter of urgency to investigate why the names and addresses at least, and maybe even the amounts of money on the bonds, has been disclosed to private agencies by any agent of the government.

Mr Trezise — Or private body!

Mr PERRIN — Or any private body, yes. I want to know why they have been allowed to do it and why the privacy of individuals who subscribed to the bonds has been breached in this way.

It is very important for the privacy and security of government documents that this matter be investigated urgently.

Funding of western ring-road

Mrs GARBUTT (Greensborough) — I raise for the attention of the Minister for Transport a matter regarding the funding of the western ring-road, and I refer particularly to the eastern extension of that ring-road — the area from Fawkner right around to Greensborough.

I have been approached by the North Eastern Regional Organisation of Councils, which represents all five councils covering those suburbs. They are the shires of Diamond Valley, and Eltham and the cities of Heidelberg, Preston and Whittlesea.

Those local councils are unanimous in urging that the western ring-road in its entirety be funded as an urgent priority. This particular end of the ring-road would link the north- eastern suburbs with the Hume Highway, with Tullamarine airport, with the Western Highway and then with the port of Melbourne. It is a major national priority and should be seen as such by both the State and Federal governments.

I regard it as a major piece of micro-economic reform that will enhance the economic development of that northern region, and the western suburbs. It is a matter of moving freight, of developing industry along those major highways, and encouraging jobs in the region I represent.

Unemployment is a major issue throughout Melbourne, but in that northern region the strength of jobs is in the textiles, clothing and footwear industries, which are suffering a severe decline. Other parts of the area have few industries, and developing the western ring-road would encourage industrial development.

It would allow freight to be moved more quickly across those national connections and serve the development of the Plenty corridor, which in the next ten years will see an additional 70 000 people living in the northern suburbs.

In addition to the development of that corridor La Trobe University is developing a research and development park, and technology precinct on its site. They are two developments in the northern suburbs to which industries will be attracted not just for educational services but also for the employment generated. Those sorts of developments depend on adequate links with the national infrastructure.

One of the major benefits of the development would to relieve the traffic flow existing on the local roads. The numbers of vehicles travelling on those roads at the moment are enormous. For example Grimshaw Street carries 42 000 vehicles a day, and Settlement Road, which is a major east-west link carries 30 000 vehicles a day.

Those roads are operating at capacity and will be relieved by the building of the western ring-road extension. I urge the Minister not only to give this project a high priority on the State's roads list and State program, but also to ensure that the national funding reflects that priority.

It should be seen as a national arterial road because it fits in with the network of national roads, including the Western Highway, the Hume Highway, the port of Melbourne and the Tullamarine airport.

I put my argument in an economic setting because it is vital for the development of industry and to the development of jobs in the entire north and north-eastern suburbs.

Planning scheme amendment, Strathfieldsaye

Mr JOHN (Bendigo East) — I raise for the attention of the Minister for Planning and Housing a planning issue affecting many residents in the electorate I represent. It is of particular concern to the ratepayers and people who live in the Shire of Strathfieldsaye, which is part of the electorate of Bendigo East, and it is a fairly urgent matter.

After many years of preparation, including much consultation with the community and consideration of submissions from affected people and various government departments, the Shire of Strathfieldsaye prepared a planning amendment known as Amendment L2A (Part 1).

It was adopted by the shire in June 1991 and I am informed that the amendment affects the whole of the shire except the township of Strathfieldsaye and

the Mandurang Valley, and the area affected by the Eppalock Planning Scheme.

The lengthy process of consultation included various panel hearings, with the final hearings being heard in May 1989. The process was originally carried out under the Town and Country Planning Act, and then in accordance, more recently, with the Planning and Environment Act 1987.

Following adoption by the shire the amendment was forwarded to the Ministry of Planning and Environment for approval, and the response from the Ministry, dated 15 October 1991, was that the amendment as adopted would not be approved without extensive alterations.

Those alterations were imposed without consultation or consideration of local views, and without real appreciation of the panel report.

There are four significant matters of concern in the proposals of the Ministry in response to the shire's planning scheme submission. Firstly, the change in the minimum area for subdivision — 8 hectares is proposed — so that the minimum would be 40 hectares for the whole of the rural area of the shire in future.

The second concern is the removal of the right of landowners to construct a house on original Crown allotments in the rural shires, where those allotments were in contiguous ownership — and this issue is referred to as the tenement issue.

The third issue is the removal of the facility to allow a gradation of lot sizes from the town areas to the larger rural lots by the reduction of rural residential zones from six zones to three zones.

The fourth issue is the unprecedented directive that the significantly reduced rural farmlet zone with an 8-hectare minimum lot size is "not to be further extended by future amendments."

The residents that I represent argue: firstly, that the proposals are contrary to the panel recommendations, and I refer in particular to pages 27 and 28 of the report; and, secondly, that the Minister's requirements have never been publicly examined.

The Ministry is a large empire in itself and has not acted in the best interests of the people I represent. Owners of contiguous blocks will find themselves unable to obtain permits to build on individual lots that are less than 40 hectares in size.

Whereas in the past a person with four blocks of 8 hectares each could have built four houses on that land, he or she will now not be able to do so. This will seriously lower land values in the area.

Finally, I point out that the rural land in the shire varies enormously in its carrying capacity and its soil type. A 40-hectare minimum block as proposed by the Ministry will not sustain a financially viable farming operation.

So far as land protection is concerned, I submit that smaller rural block owners, who are often professional or business people, are careful, plant lots of trees and are good at land protection. They are prepared to put money into a property. It is often the case today that a farmer who has a large area of land is unable to do that because he or she is under enormous financial pressure.

There ought to be greater diversity, more choice and more flexibility. I urge the Minister to examine this case personally.

The SPEAKER — Order! The honourable member's time has expired.

Reduction of alcohol consumption

Mr SEITZ (Keilor) — I raise a matter for the attention of the Attorney-General, representing the Minister for Health. The next two months are the lead-in to the festive season and there will be a lot of partying, with people going to Christmas drinks here and there.

I ask the Minister for Health to issue warnings to explain to people how alcohol builds up in the body and how the alcohol content in the blood does not dissipate overnight — it takes time for the digestive system to rid the body of alcohol. Whereas in normal circumstances a person may have six or seven drinks and think he or she is all right, over the festive season people often partake of Christmas drinks and there is a cumulative effect.

In a press release issued on 10 September the Victorian Association of Drug and Alcohol Agencies states:

> Misuse of alcohol is costing Australians over $6 billion each year. The economic burden of heavy drinking costs Victorians $2.7 billion each year.

In Australia in 1988 there were:

(i) 2 758 000 alcohol-induced hospital/nursing home bed days...

Friends who invite people to have an extra drink do not realise they are imposing that cost on society. It is a bad example for our youth that this occurs in the festive season and one often hears people saying that they cannot keep up with going from one party to another.

I urge the Minister to initiate a strong and intensive campaign over the coming period to reduce the cost of the effects of drinking on the community at a time when finances are very tight and to reduce the burden it will impose on people working in accident rehabilitation and other areas that deal with the effects of road trauma.

The Minister should appeal to the community to take this matter seriously, particularly over the festive season. Instead of showing friendship by offering to have an extra drink with friends, people should express friendship in other ways, such as perhaps asking people to have one less drink for the road so that they get home safely.

The successful campaign which was run some time ago should be reintroduced this year in view of the recent tragic car accident. We should insist that over the next two months if people wish to be a friend they should pay for their friends to take a taxi home rather than paying for an extra round of drinks in a bar.

Responses

Mr SPYKER (Minister for Transport) — The honourable member for Greensborough eloquently outlined the needs in her electorate in the northern suburbs. Earlier today I received a deputation from the honourable members for Greensborough, Bundoora and Thomastown at which the honourable member for Greensborough emphasised the importance of the western ring-road extension to the development of her area, particularly Mahoneys Road, Settlement Road and Grimshaw Street, which are currently very busy roads.

There is no doubt that if the eastern section of the western ring-road could be developed there is enormous potential to develop industry in that growth area and to provide local residents and commuters with easier access to residential areas.

As the honourable member for Greensborough said, the development of a proper road system around Melbourne is part of micro-economic reform and would produce savings in fuel and energy. Discussions are presently taking place between the Federal and State governments about the new Federalism and the responsibilities that each area of government should exercise.

I can assure the honourable member that whatever happens in the discussions with the Federal government at the special Premiers Conference, whether roads ultimately become a Federal or State responsibility, the government is convinced that the western ring-road extension is vital for the development of the northern suburbs.

I thank the honourable member for the excellent way in which she handled the deputation today and I commend her tenacity in pursuing issues on behalf of her constituents.

When the special Premiers Conference has concluded I will be happy to meet with the honourable member again to consider what road funding is available. The honourable member can be assured that every effort will be made within the confined context of the Budget to ensure the road needs of her constituents are met.

Mr KENNAN (Minister for the Arts) — The honourable member for Bennettswood raised the question of the Moomba parade and seemed to see the change as some sort of Victorian Trades Hall conspiracy. It is not a conspiracy but a decision by the Moomba board.

I have yet to see the decision but I understand it involves a parade beginning at 5 p.m. around the streets adjacent to the river and on the river itself later in the evening. It is thought that will work well. I am sure it will work and I look forward to seeing the Bennettswood Minister for Finance at both events.

Mr Roper — On his float.

Mr KENNAN — On his float and on his bike.

The honourable member for Rodney raised a matter about access to libraries. That is something the government has been monitoring through libraries. I will look at the issue he raised.

It is important that access to libraries is available for Victorian certificate of education students. I will

examine the matter and if he will pass on to me the correspondence he has I will have discussions with the Minister for Education and Training to see what can be done.

Mr ROPER (Treasurer) — The honourable member for Niddrie raised an education matter, which I shall direct to the attention of the Minister for Education and Training.

The honourable member for Bendigo East raised a planning issue in his electorate, which I shall direct to the attention of the Minister for Planning and Housing.

The honourable member for Keilor raised a matter concerning the health risks associated with Christmas drinks which, despite your normal activities, Mr Speaker, I understand you are encouraging by inviting us to your room. In view of the comments of the honourable member I shall treat your invitation most carefully! Nevertheless this is a serious matter, which I shall direct to the attention of the Minister for Health.

The honourable member for Bulleen raised a matter concerning letters that have been sent to a number of people from a company called Pivot Properties and Securities Ltd. It would have been helpful if, rather than coming into this place and making allegations, he had bothered to discuss the matter with me or my officers beforehand.

The honourable member alleged that there has been some sort of government-organised, government-sponsored or government-related handing out of mailing lists. In the past week we have received a number of complaints from people who have received this material from Pivot Securities, which seems to imply that the syndication proposed has some form of special relationship with the government security bonds that so many Pyramid Building Society shareholders have taken up.

An examination of the material the company has sent out shows that the reference to Victorian government security bonds is highlighted more than the company's name or the property syndication.

We are concerned that people are worried about how their names came to be known to the company, a Geelong firm which has as one of its directors John Richard Francis Gilchrist — who apparently said to one of the people who complained that he had received the list anonymously, but since saying that has said nothing to anyone — and with which Barry Solomon, a former Chairman of the Capital Building Society in Geelong, seems to be connected.

Apart from being Pyramid depositors, the people who have complained to us have only one other thing in common, which is that they all belong to Friends of Pyramid. We will make inquiries of Friends of Pyramid to see whether it has given out its mailing list.

In the letter sent to one of the people who complained to my office, the address is not in the same form as that contained in the bondholders register for Victorian government security bonds. Leaving aside their reputation for security, I do not believe anyone connected with the registry would have given out mailing lists.

It is disturbing when mailing lists are used in this way, leaving to one side the issue of whether the company is attempting to prey on others who have been damaged by the collapse of the Pyramid Building Society.

We have received the material the company has sent out and we will examine it to see whether it is good practice or whether it is an attempt to prey on people who find themselves in desperate financial circumstances and who — although I am not suggesting that it is so, because we have not had a chance to finalise our investigations — may be open to some kind of con job. If it appears to be something we must protect people against, we will do so.

I am concerned that a mailing list appears to have been sent out, and we are conducting inquiries to discover where it has come from.

Motion agreed to.

House adjourned 6.5 p.m. until Tuesday, 12 November.

Tuesday, 29 October 1991

QUESTIONS ON NOTICE

The following answers to questions on notice were circulated:

INSPECTORS — DEPARTMENT OF LABOUR

(Question No. 431)

Mr GUDE (Hawthorn) asked the Minister for Labour:

Whether companies installing lifts in major buildings have been requested by the Department of Labour to prepare all relevant documents for departmental inspectors to sign which have previously been prepared by departmental officers; if so — (a) why; (b) what change in qualified staff has occurred either to cause, or as a result of, this request; and (c) whether departmental inspectors have accepted the departmental directive and, in the event that they have not, what action he proposes to take to resolve any industrial unrest?

Mr POPE (Minister for Labour) — The answer is:

I refer the honourable member to my response to question No. 321 asked in the Legislative Council.

The answer referred to is as follows:

In line with the general thrust of health and safety legislation in Victoria and indeed Australia, all industry is being required to take greater responsibility for assuring the standards of their products and not to rely on government inspectorates.

The role of government inspectorates will be to audit such companies to ensure that the processes produce the required legislative standards.

The circumstances referred to vaguely in the question are in fact that companies are being required to produce plans and systems which will allow proper audits to be conducted.

The inspectorate are fully aware of these developments and have in principle accepted this new approach as an appropriate mechanism for maintaining the excellent safety record in Victoria.

CONSULTANTS — DEPARTMENT OF LABOUR

(Question No. 547)

Mr COOPER (Mornington) asked the Minister for Labour:

In respect of each department, agency and authority within his administration, what are the names of each consultant employed since October 1988, indicating, in each case — (a) the purpose for which they were employed; (b) what working plans were given; (c) the cost of their services; (d) the duration of their contract; and (e) any additional payments made in excess of the contract price?

Mr POPE (Minister for Labour) — The answer is:

Please note: information on consultants appointed whose contracts exceed $10 000 is being dealt with under an FoI request by the honourable member for Doncaster to the Department of the Premier and Cabinet.

CONSULTANT	OCCUPATIONAL HEALTH AND SAFETY DIVISION
Don Robinson	(a) Employed due to knowledge gained while employed by department. (b) the consultant was employed to provide information to be used in a court case. There was no working plan given. (c) $5000. (d) Approximately 100 hours.

(e) No additional payments made.

Lori Vanston & Assoc.

(a) To provide training.
(b) A detailed brief of training requirements of officers to be involved.
(c) $1100.
(d) Preparation and course time approximately two weeks.
(e) No additional payments were made.

Productive Training

(a) Employed to provide training.
(b) A detailed written training proposal was Services established.
(c) $2777.95.
(d) Two days per preparation.
(e) No additional payments were made.

Environmental Health Services

(a) This consultant was employed as part of expert committee established by the Minister for Labour to provide expert professional advice regarding the asbestos risk at PRA in the course of the industrial dispute at the establishment.
(b) The scope of this consultancy was discussed verbally by the three-person expert committee and addressed hazard, risk and control strategies for asbestos used at the plant.
(c) $3373 — itemised account.
(d) 30 November 1989 — 12 December 1989.
(e) Nil.

Ross Armstrong

(a) To undertake the research, preparation and writing of an OHS program publication on *Sighting in the Workplace.*
(b) The consultant was given detailed written guidelines and terms of reference for preparing OHS program publications. There was regular monitoring by the publications steering committee established to oversee the publication. The consultancy included regular progress reports and the delivery of first, second and final drafts.
(c) $3500.
(d) Six weeks.
(e) None.

Ms Joan Leaming

(a) To undertake the research, preparation and writing of an OHS program publication on *Infectious Diseases in the Workplace.*
(b) The consultant was given detailed written guidelines and terms of reference for preparing OHS program publications. There was regular monitoring by the publications steering committee established to oversee the publication. The consultancy included regular progress reports and the delivery of first, second and final drafts.
(c) $7670.
(d) Six weeks.
(e) None.

Labour Research *Centre*

(a) To undertake the research, preparation and writing of an OHS program publication on *Personal Protective Clothing and Equipment in the Workplace.*
(b) The consultant was given detailed written guidelines and terms of reference for preparing OHS program publications. There was regular monitoring by the publications steering committee established to oversee the publication. The consultancy included regular progress reports and the delivery of first, second and final drafts.
(c) $8100.
(d) Six weeks.
(e) None.

Brain Behaviour Research Institute

(a) To undertake the research, preparation and writing of an OHS program publication on *Shiftwork in the Workplace.*
(b) The consultant was given detailed written guidelines and terms of reference for preparing OHS program publications. There was regular monitoring by the publications steering committee established to oversee the publication. The consultancy included regular progress reports and the delivery of first, second and final drafts.
(c) $6000.
(d) Six weeks.
(e) None.

Dr Deborah Graham	(a) To undertake the research, preparation and writing of an OHS program publication on *Stress in the Workplace.* (b) The consultant was given detailed written guidelines and terms of reference for preparing OHS program publications. There was regular monitoring by the publications steering committee established to oversee the publication. The consultancy included regular progress reports and the delivery of first, second and final drafts. (c) $6600. (d) Six weeks. (e) None.
Lidcombe Workers Health Centre	(a) To undertake the research, preparation and writing of an OHS program publication on *Occupational Overuse Syndrome in the Workplace.* (b) The consultant was given detailed written guidelines and terms of reference for preparing OHS program publications. There was regular monitoring by the publications steering committee established to oversee the publication. The consultancy included regular progress reports and the delivery of first, second and final drafts. (c) $7200 (cost of their services to date $6480). (d) Six weeks. (e) None.
Vic. Institute of Occupational Safety	(a) To undertake the research, preparationand writing of an OHS program publication on *Ventilation in the Workplace.* (b) The consultant was given detailed written guidelines and terms of reference for preparing OHS program publications. There was regular monitoring by the publications steering committee established to oversee the publication. The consultancy included regular progress reports and the delivery of first, second and final drafts. (c) $8000. (d) Six weeks. (e) None.
David Caple & Associates	(a) To undertake the research, preparation and writing of an OHS program publication on *Ergonomic Workplace Design.* (b) The consultant was given detailed written guidelines and terms of reference for preparing OHS program publications. There was regular monitoring by the publications steering committee established to oversee the publication. The consultancy included regular progress reports and the delivery of first, second and final drafts. (c) $7200 (cost of services to date $6480). (d) Six weeks. (e) None.
	EMPLOYMENT DIVISION
Julie Hurley	(a) To conduct a professional development session at a literacy and numeracy workshop for Youth Guarantee employment counsellors. (b) A discussion and written brief outlining the Youth Guarantee Employment Counselling and Placement Service and the needs of its clients. (c) $62.40. (d) One day, 17.5.90. (e) Nil.
Nicki McCartney	(a) To conduct training of casual staff for a Youth Guarantee display at the Young Australia Expo. (b) Discussion was held with Ms McCartney as to the needs of the group to be trained. (c) $300. (d) One day, 26.7.90. (e) Nil.
Robyn Wintle	(a) To conduct a professional development session at a Youth Guarantee employment counsellor Statewide meeting. (b) Discussion was held with Robyn as to the needs of the counsellors she was training and the needs of their client group. (c) $200. (d) One day, 22.3.90. (e) Nil.

ACCIDENT COMPENSATION TRIBUNAL

Peat Marwick

(a) To conduct an analysis of the business opportunity for the sale of three information systems developed by the Accident Compensation Tribunal.
(b) The consultants were given a detailed written brief on the conduct of the consultancy. There was regular reporting to the tribunal's project manager and ongoing briefings were given to the consultants.
(c) $5025.
(d) May-June 1990.

Malcolm Press

(a) To develop and deliver a training package to WES staff in developing staff skills in dealing with clients' challenging behaviours.
(b) Written quotations and summaries of discussions concerning the objectives and content of training packages were provided by Mr Press prior to the training.
(c) Costs involved were $450 and $1500 for the two training packages.
(d) In October 1989 the contract was for one 4-hour session. In February 1990 the contract covered four sessions of three-and-a-half hours each.
(e) Nil.

VICTORIAN ACCIDENT REHABILITATION COUNCIL

Research Int.

(a) To carry out a survey of PROMT clients.
(b) (i) Tenders were submitted.
(ii) Terms of reference and/or defined outcomes were specified.
(iii) Interim reports were made at stages of the consultancies or interim payments were contingent on the contingent or completion of specified tasks.
(c) From 8.5.89 to 9.11.89.
(d) Total cost of contract was $10 000. Expenditure during 1989-90 was $5000.
(e) Nil

Quadrant Research Services

(a) To carry out a survey of INTRA clients.
(b) (i) Tenders were submitted.
(ii) Terms of reference and/or defined outcomes were specified.
(iii) Interim reports were made at stages of the consultancies or interim payments were contingent on the contingent or completion of specified tasks.
(c) From 20.4.90 to 18.6.90.
(d) Total cost of contract was $5815. Expenditure during 1989-90 was $5815.
(e) Nil.

University of Melbourne

(a) To provide advice on research design.
(b) (i) Tenders were submitted.
(ii) Terms of reference and/or defined outcomes were specified.
(iii) Interim reports were made at stages of the consultancies or interim payments were contingent on the contingent or completion of specified tasks.
(c) From 9.3.90 to 8.5.90.
(d) Total cost of contract was $1625. Expenditure during 1989-90 was $1625.
(e) Nil.

Reark Group

(a) Employer survey for the rehabilitation employment program review.
(b) (i) Tenders were submitted.
(ii) Terms of reference and/or defined outcomes were specified.
(iii) Interim reports were made at stages of the consultancies or interim payments were contingent on the contingent or completion of specified tasks.
(c) June.
(d) Total cost of contract was $7000. Expenditure during 1989-90 was $7000.
(e) Nil.

Cerromar Beach

(a) Report on the Accident Compensation Act s113, rehabilitation assessment.
(b) (i) Tenders were submitted.
(ii) Terms of reference and/or defined outcomes were specified.
(iii) Interim reports were made at stages of the consultancies or interim payments were contingent on the contingent or completion of specified tasks.
(c) February.
(d) Total cost of contract was $8970. Expenditure during 1989-90 was $8970.
(e) Nil.

Duesbury

(a) Provision of internal audits as required.
(b) (i) Tenders were submitted.
(ii) Terms of reference and/or defined outcomes were specified.
(iii) Interim reports were made at stages of the consultancies or interim payments were contingent on the contingent or completion of specified tasks.
(c) Ongoing and as required. Work performed to date carried out in February 1990.
(d) Estimated total cost $5000. Actual expenditure to date $844.
(e) Nil.

Reark Group

(a) To undertake telephone survey of employers.
(b) (i) Tenders were submitted.
(ii) Terms of reference and/or defined outcomes were specified.
(iii) Interim reports were made at stages of the consultancies or interim payments were contingent on the contingent or completion of specified tasks.
(c) From 29.6.90 to 23.8.90.
(d) Total cost of contract was $8835. Expenditure during 1990-91 was $8835.
(e) Nil.

ACCIDENT COMPENSATION COMMISSION

I. Baker

(a) Selection of fund managers.
(b) Selection criteria.
(c) $1700.
(d) 1 month.
(e) Nil.

I. Rust

(a) Advice on commercial property investment.
(b) Investment proposal.
(c) $1500.
(d) 1 month.
(e) Nil.

Dr Bruce Kinlock

(a) Training sessions (section 93, impairment application).
(b) Legislation/regulations.
(c) $2700.
(d) 2 months.
(e) Nil.

Arthur Andersen & Co.

(a) Advice on general ledger system and 1990 financial statements.
(b) Draft statements.
(c) $1120.
(d) 2 weeks.
(e) Nil.

R. O'Connor & Associates

(a) Report on compensable medical fees.
(b) Committee report.
(c) $1500.
(d) 1 month.
(e) Nil.

Stephenson & Turner	(a) Feasibility study re EDP facilities. (b) Inspection of worksites. (c) $9500. (d) 1 month. (e) Nil.
Institutional Developments Pty Ltd	(a) Financial advice and evaluation for computer data centre options. (b) Draft proposals. (c) $6200. (d) 1 month (e) Nil.
Arthur Andersen & Co.	(a) Review of processing system for compensation payments. (b) Draft instructions and program. (c) $9700. (d) 2 weeks. (e) Nil.

CONSTRUCTION INDUSTRY LONG SERVICE LEAVE BOARD

Peat Marwick	(a) Examine the board's current computer configuration; review the board's information technology strategy plan; report on information technology options available to the board to achieve successful implementation of its goals. (b) November 1989 to March 1990. (c) Terms of reference approved by the board. (d) $4500. (e) Nil.
Systems Services Pty Ltd — EDP Consultant	(a) Completion of computer system investigation requests to enhance the current computer operations. (b) August 1990 to February 1991. (c) Work program outlining priorities and time estimates approved by the information technology steering committee. (d) $1890. (e) Nil.

WORKCARE APPEALS BOARD

(a) The WorkCare Appeals Board currently employs no people on a contract basis.

(b) During 1989-90 the WorkCare Appeals Board engaged the following consultants:

(i)	Project Planning & Management Pty Ltd, Opinion on lease and rental agreements for the board's premises.	$12 000
(ii)	Nelson Parkhill BDO charteredaccountants assessment of the viability of dividing the corporate service function then existing at the Accident Compensation Tribunal.	$17 500
(iii)	Nelson Parkhill BDO chartered accountants development of a financial forecasting model.	$1900
(iv)	Statra Page & Associates assessment of proposed tenancy.	$2000

Not included in this list are the several building, electrical and like contractors engaged in the management and implementation of the board's fit-out program for its temporary and permanent accommodation. Nor is the board's ongoing engagement of Nelson Parkhill BDO as its internal auditors included under the definitior of consultancy.

(c) The board has no new or continuing consultants.

JOURNALIST QUALIFICATIONS — DEPARTMENT OF LABOUR

(Question No. 628)

Mr GUDE (Hawthorn) asked the Minister for Labour:

What staff have journalists' qualifications and are employed either full or part time within — (a) the Ministry; (b) the department; or (c) any of its agencies, indicating in each case — (i) their names; (ii) when were they employed; (iii) the last media outlet they worked for; (iv) their rate of pay; and (v) whether or not they ever worked within the Government Media Unit?

Mr POPE (Minister for Labour) — The answer is:

In respect of the Department of Labour and agencies with the portfolio, the comprehensive provision of this information would require an audit of the qualifications of all staff employed, for which the time and resources necessary could not be justified.

Apart from the position of press secretary to the Minister, there are no positions within the department which require mandatory journalism qualifications.

The information provided below is where the employee's previous journalistic experience can be readily identified. The employee's name has not been provided as this would breach personal confidentiality.

Press Secretary - Minister's Office

(i) Name not provided to avoid a breach of personal confidentiality.
(ii) September 1990.
(iii) ABC TV
(iv) $35 015 - $36 578.
(v) No.

Ministerial Adviser

(i) Name not provided to avoid a breach of personal confidentiality.
(ii) June 1990.
(iii) *The Sun*
(iv) $43 136 - $45 092.
(v) No.

Accident Compensation Commission

(i) Name not provided to avoid a breach of personal confidentiality.
(ii) 18 November 1985.
(iii) *Geelong Advertiser*
(iv) $64 259.
(v) No.

Accident Compensation Commission

(i) Name not provided to avoid a breach of personal confidentiality.
(ii) 19 January 1987.
(iii) *Illawarra Mercury.*
(iv) $48 565 - $52 791.
(v) No.

Publications and Publicity Officer - Unattached

(i) Name not provided to avoid a breach of personal confidentiality.
(ii) 28 November 1983.
(iii) Melbourne *Sun.*
(iv) $42 180.
(v) No.

HAY GROUP CONSULTANCY — TREASURY

(Question No. 1005)

Mr PERTON (Doncaster) asked the Treasurer:

In respect of a consultancy conducted by the Hay Group Pty Ltd for the Department of the Treasury to provide advice on remuneration for the chairman and the directors of Tricontinental:

1. What was the recommended annual salary package to be paid by way of remuneration to each of the directors of Tricontinental?
2. What is the actual annual remuneration presently received by each of the directors of Tricontinental?
3. Whether the directors of Tricontinental receive any additional payments in excess of their contracted annual salary; if so, what such amount?
4. What amount of each director's annual salary is allocated for superannuation, long service leave, allowances and overtime for the duration of each director's contract?

Mr ROPER (Treasurer) — The answer is:

1. The recommendation provided by the Hay Group Pty Ltd on remuneration levels for the positions of chairman and members, Tricontinental board of management, is confidential commercial information and its release would disadvantage the Hay Group Pty Ltd among its competitors.
2. Information on the actual remuneration received by the chairman and board members is provided in the annual report to Tricontinental (see following table). The format is commonly utilised in company annual reports to preserve confidentiality for individuals while enabling a full record of actual expenditure to be provided. No further details can be released.
3. See 2. above.
4. See 2. above.

NOTES TO AND FORMING PART OF THE ACCOUNTS FOR THE SIX MONTHS ENDED 31 DECEMBER 1990

	CONSOLIDATED		HOLDING COMPANY	
	6 MONTHS TO 31 DEC $'000	12 MONTHS TO 30 JUN $'000	6 MONTHS TO 31 DEC $'000	12 MONTHS TO 30 JUN $'000
DIRECTORS REMUNERATION				
Income received or due and receivable:				
- from the holding company	6	3	6	3
- from related companies	430	365	430	365
The number of directors included in these figures are shown below in their relevant income bands.				
Income between:				
$NIL and 9999	2	5	-	5
10 000 19 999	1	5	1	5
20 000 29 999	3	2	3	2
30 000 39 999	1	1	1	1
40 000 49 999	-	1	-	1
50 000 59 999	1	-	1	-
80 000 89 999	1	-	1	-
160 000 169 999	-	1	-	1
170 000 179 999	1	-	1	-
Amounts paid to superannuation funds or in connection with the retirement of persons from the office of director of group corporations	nil	nil	nil	nil

These amounts relate to payments to State Bank Victoria directors who were also directors of the Tricontinental group. No fees were paid to current directors during the period under review other than the service fee paid to Bessemer O'Duill Pty Ltd for November and December 1990.

J. LANG CONSULTANCY — TREASURY

(Question No. 1105)

Mr PERTON (Doncaster) asked the Treasurer:

In respect of a consultancy conducted by Jim Lang and Associates Pty Ltd for the Department of Treasury to conduct an updated analysis of the incidence of land tax in Victoria:

1. What was the commencement date of the consultancy?
2. What was the original planned duration of the consultancy?
3. Whether the duration of the consultancy has been extended, if so — (a) for how long; (b) why; and (c) which officer of the department approved the extension?
4. Who are the individual consultants, indicating their qualifications?
5. What is the hourly/daily fee for the consultants?
6. Who has been interviewed by the consultants?
7. Whether the consultants have been paid any progress payments; if so — (a) what amounts; and (b) on what dates?
8. What were the original terms of the consultancy?
9. Whether there has been any alteration to the terms of the consultancy; if so, what alterations?
10. Whether the consultants have made any interim or final finding or recommendations; if so, what finding or recommendations?
11. Whether the consultants have produced any interim or final reports; if so — (a) what reports; and (b) on what dates?

Mr ROPER (Treasurer) — The answer is:

1. The consultancy commenced on 19 December 1990.
2. The final report of the consultancy was originally intended to be submitted no later than 31 March 1991.
3. (a) The consultancy was extended until 29 April 1991;

   (b) The duration of the consultancy was extended due to the need for a special data run which was required to be undertaken by the Australian Bureau of Statistics (ABS). The data provided by the ABS was central to the statistical analysis undertaken in the incidence study. A special data run was required to be undertaken by the ABS from the 1988-89 Household Expenditure Survey concerning broad and detailed Victorian data on expenditure items. The ABS sent the relevant data to Mr Lang on 20 March 1991;

   (c) The extension of the consultancy was mutually agreed to by the Land Tax Review Secretariat and Jim Lang and Associates Pty Ltd.
4. The consultancy was undertaken by Jim Lang and Associates Pty Ltd. Information concerning individual consultants and their qualifications is confidential.
5. The total fee for the consultancy was $5193.75. Information concerning the daily fee for the consultant is confidential.
6. It was not necessary for Jim Lang and Associates to interview anyone to undertake the consultancy.
7. Progress payments were as follows:

   (a) $2850 paid on 3 May 1991; and

   (b) $2343.75 paid on 20 June 1991.
8. The original terms of the consultancy were based on a standard departmental agreement.
9. The terms of the consultancy were amended to allow Jim Lang and Associates Pty Ltd an extension of time to submit the final report to the Land Tax Review Secretariat. The reasons for this extension are outlined in response to question 3.
10. A detailed summary of the results of the consultancy may be found on pages 46 to 50 of the Land Tax Review Report.
11. Jim Lang and Associates Pty Ltd produced a report into the incidence of land tax in Victoria entitled *Report to the Land Tax Review: The Incidence of Land Tax in Victoria* dated 29 April 1991.

AUSTRALIAN INSTITUTE OF VALUERS CONSULTANCY — TREASURY

(Question No. 1106)

Mr PERTON (Doncaster) asked the Treasurer:

In respect of a consultancy conducted by the Australian Institute of Valuers and Land Administrators for the Department of Treasury to collate and analyse land tax data:

1. What was the commencement date of the consultancy?
2. What was the original planned duration of the consultancy?
3. Whether the duration of the consultancy has been extended, if so — (a) for how long; (b) why; and (c) which officer of the department approved the extension?
4. Who are the individual consultants, indicating their qualifications?
5. What is the hourly/daily fee for the consultants?
6. Who has been interviewed by the consultants?
7. Whether the consultants have been paid any progress payments; if so — (a) what amounts; and (b) on what dates?
8. What were the original terms of the consultancy?
9. Whether there has been any alteration to the terms of the consultancy; if so, what alterations?
10. Whether the consultants have made any interim or final finding or recommendations; if so, what finding or recommendations?
11. Whether the consultants have produced any interim or final reports; if so — (a) what reports; and (b) on what dates?

Mr ROPER (Treasurer) — The answer is:

1. The consultancy commenced on 21 December 1990.
2. The consultancy was divided into two phases. Phase one of the consultancy was originally intended to be completed on or before 17 January 1991 and phase two of the consultancy was originally intended to be completed on or before 28 February 1991.
3. (a) The duration of the consultancy was extended until June 1991;

   (b) The duration of the consultancy was extended to allow data to be processed from a number of municipalities who were unable to meet the original deadline for data provision. The extension of the consultancy to allow processing of data from municipalities allowed the review to broaden the number of municipalities represented in the database and contributed to the establishment of an unprecedented facility to analyse the impact of various land tax scenarios;

   (c) The consultancy was extended by mutual agreement between the Land Tax Review Secretariat and the AIVLE.
4. The consultancy was undertaken by the AIVLE and the Property Centre at the Royal Melbourne Institute of Technology (RMIT). Information concerning the individual consultants and their qualifications is confidential.
5. The total cost of the consultancy was $21 575. Information concerning daily fees is confidential.
6. The consultants spoke with a wide range of metropolitan and non-metropolitan municipalities to obtain data for the consultancy.
7. The consultants were paid progress payments. The amounts and dates of these payments were as follows:

   (a) $20 000 paid on 27 June 1991; and

   (b) $1575 paid on 26 July 1991.

The further payment of $1575 was made to Technisearch Ltd (RMIT) on 26 July 1991. This account represented work undertaken by the Property Group at RMIT processing further land tax scenarios.

8. The consultancy undertaken by the AIVLE was divided into two phases. The original terms of the consultancy were based on a standard departmental agreement.
9. There were alterations to the terms of the consultancy. The reasons for these alterations are provided in response to question 3.
10. The consultancy did not seek the formulation of findings or recommendations by the AIVLE, but rather the role of the consultants was to collect and collate data.
11. The AIVLE produced a report entitled *Collection and Collation of Victorian Valuation Data* dated March 1991.

PINNACLE PROPERTY CONSULTANCY — TREASURY

(Question No. 1107)

Mr PERTON (Doncaster) asked the Treasurer:

In respect of a consultancy conducted by Pinnacle Property Group Pty Ltd for the Department of Treasury to provide advice on aspects of the land tax review:

1. What was the commencement date of the consultancy?
2. What was the original planned duration of the consultancy?
3. Whether the duration of the consultancy has been extended, if so — (a) for how long; (b) why; and (c) which officer of the department approved the extension?
4. Who are the individual consultants, indicating their qualifications?
5. What is the hourly/daily fee for the consultants?
6. Who has been interviewed by the consultants?
7. Whether the consultants have been paid any progress payments; if so — (a) what amounts; and (b) on what dates?
8. What were the original terms of the consultancy?
9. Whether there has been any alteration to the terms of the consultancy; if so, what alterations?
10. Whether the consultants have made any interim or final finding or recommendations; if so, what finding or recommendations?
11. Whether the consultants have produced any interim or final reports; if so — (a) what reports; and (b) on what dates?

Mr ROPER (Treasurer) — The answer is:

1. The consultancy commenced on 10 April 1991.
2. The final report of the consultancy was to be completed on or before 26 April 1991.
3. (a) The consultancy was extended until 28 June 1991;

   (b) The duration of the consultancy was lengthened to allow the Pinnacle Property Group Pty Ltd an extension of time in submitting their final report to the Land Tax Review Secretariat. Pinnacle had encountered unanticipated delays in collecting survey information from respondents included in their study;

   (c) The extension of time was mutually agreed between the Land Tax Review Secretariat and the Pinnacle Property Group Pty Ltd.
4. The consultancy was undertaken by the Pinnacle Property Group Pty Ltd and information concerning individual consultants and their qualifications is confidential.
5. The total cost of the consultancy was $4000. Information concerning the daily fee is confidential.
6. The consultants interviewed a wide range of respondents to a survey structured by the consultants in consultation with the Land Tax Review Secretariat.
7. Pinnacle Property Group Pty Ltd were paid $4000 for consultancy services performed for the review. This amount was paid on 19 July 1991.
8. The original terms of the consultancy were based on a standard departmental agreement.
9. There was an alteration to terms of the consultancy undertaken by the Pinnacle Property Group Pty Ltd. The reasons for the extension of time granted to the Pinnacle Property Group Pty Ltd in submitting their final report to the Land Tax Review Secretariat is detailed in response to question 3.
10. The Pinnacle Property Group Pty Ltd made a number of findings concerning the passing on of land tax to tenants. A detailed summary and analysis of the work undertaken by the Pinnacle Property Group Pty Ltd is provided in Chapter Nine of the *Land Tax Review Report*.
11. Pinnacle Property Group Pty Ltd produced a report entitled *A Survey of the Incidence of Tenants Meeting the Liability for State Land Tax* dated June 1991.

FoI REQUESTS — TREASURY

(Question No. 1137)

Mr PERTON (Doncaster) asked the Treasurer:

In respect of FoI requests by Parliamentarians and/or journalists, for each department, agency and authority within his administration:

1. What are the existing guidelines, instructions, and directions to the freedom of information officer in dealing with — (a) FoI requests by members of Parliament; and (b) FoI requests by journalists?
2. Whether there is any instruction or direction that the documents (or copies) be forwarded to the Minister's office prior to release of the documents; if so, what delay has been caused by the submission of the documents to the Minister's office for each such request since 1 June 1990?
3. Whether any instructions have been given to the FoI officer since 8 September 1991 in respect of FoI requests by — (a) the honourable member for Doncaster; and (b) other members of Parliament and/or journalists; if so — (i) by whom, indicating the person's name and title; (ii) the nature of the instruction; and (iii) the date it was given?

Mr ROPER (Treasurer) — The answer is:

1. Freedom of information officers deal with all requests in accordance with the Freedom of Information Act and in terms of the guidelines set out in the *Freedom of Information Handbook*, Volume 2.
2. Ministers are normally briefed on matters upon which they may be required to respond and the Minister's office may view documents to be released under the FoI Act as part of such a process.

   Numbers and complexity of requests can cause delays, not necessarily the process of briefing the Minister.
3. No instructions of this nature have been given.

Thursday, 31 October 1991

QUESTIONS ON NOTICE

The following answer to a question on notice was circulated:

ENHANCED RESIGNATION PACKAGE — ARTS

(Question No. 1062)

Mr GUDE (Hawthorn) asked the Minister for the Arts: @INDENT1 = In respect of each department, agency and authority within his administration:

1. How many people have accepted the enhanced resignation package as at 30 August 1991?
2. What is the total value of these pay-outs?
3. Will the enhanced resignation package continue to be available after 30 August 1991?

Mr KENNAN (Minister for the Arts) — The answer is:

As at 30 August 1991 no offers of the enhanced resignation package had been made, as staff had until that date to lodge formal expressions of interest.

The information requested by the member is, therefore, not yet known, as the process which applies with the package has not yet been completed.